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27 October 1982

## LATIN AMERICA REPORT

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## ELECTRICITY RESEARCH CONTRACT SIGNED WITH HOLLAND

The Hague ANP NEWS BULLETIN in English 4 Oct 82 p 4

[Text] Arnhem, October 4--Visiting Brazilian Vice-President Aureliano Chaves signed a contract here on Friday providing for Dutch help in studying Brazil's electricity supply and the prospects of carrying electricity over long distances.

The contract is one between KEMA, the research institute of Dutch electricity companies, and its Brazilian opposite number the Riode de Janeiro-based research institute CEPEL. [as published]

Mr Chaves, who arrived here on Thursday for a five-day working visit, went to the Akzo concern and the KEMA institutes here on Friday.

He went into talks in The Hague this morning with the second chamber's standing committees for economic and foreign affairs and is to have luncheon with Economics Minister Jan Terlouw.

In the afternoon he will be received by Queen Beatrix at her Huis ten Bosch palace and will give his first press conference since arriving here later in the afternoon.

Confirming the visit KEMA spokesman G. van Wijk said the contract could lead to substantial KEMA orders from South America.

A similar agreement was concluded earlier this year with China where KEMA is to advise on the electrification of large tracts of land. It may eventually produce orders for Dutch industry to supply major components of China's electricity grid.

Mr Van Wijk emphatically denied that Mr Chaves had discussed cooperation in nuclear projects as feared by Arnhem's anti-nuclear energy movement (AKB). AKB expressed this fear in a statement on Friday.

Commenting on Mr Van Wijk's denial an AKB spokesman recalled he also denied KEMA was technologically involved in the fast-breeder reactor in the West German town of Kalkar near the Dutch border, while the institute's annual reports showed its involvement. 'Mr Van Wijk's denial is suspicious and strengthens suspicion that the Brazilian visit to KEMA was more than an exploratory call with an eye to the country's electricity supplies,' the spokesman said.



## BRIEFS

NEW OIL WELLS--Bogota--A report issued by the Colombian Oil Engineers Association states that of the 130 exploratory and developmental oil wells drilled as of 30 June by Colombian petroleum enterprise, Ecopetrol, and its 19 associate companies, 50 were reported as productive, representing a favorable index of 38.4 percent. The report adds that of the 130 wells, 31 are dry, work on 4 has been temporarily postponed, 7 were halted because of mechanical problems, 2 are being tested, 15 are still being drilled, 13 are awaiting completion, 4 are in the final phase, and 2 are awaiting new drilling equipment [all numbers as heard]. Of the 130, 71 are developmental wells and 59 are exploratory; the wells reported to be productive include 41 developmental wells and 9 exploratory wells.

[Excerpt], [PA051357 Bogota Domestic Service in Spanish 1730 GMT 29 Sep 82 PA]

CSO: 3348/10

## INTER-AMERICAN AFFAIRS

### BRIEFS

TRADE DEBTS--In 1981 El Salvador, Nicaragua, and Costa Rica purchased Guatemalan products for a total of 350 million Central American pesos, and Guatemala purchased from those countries products amounting to only 194 million Central American pesos. A Central American peso equals one quetzal. According to well-informed news sources that have contacts with the Central American Common Market, the trade balances of El Salvador, Nicaragua, and Costa Rica show a trade deficit, compared with the trade balance of the Guatemalan market. It was said that although it is true that Guatemala sold a greater volume of products, it is also true that Guatemalan industrial sectors for several months have been trying to negotiate with those countries for payments from them in the total amount of 150 million Central American pesos toward the debts that are owed. According to a UPI news agency dispatch, "the central banks of the above mentioned three debtor countries do not have the quetzals with which to make their payments, which is another of the problems that prevents the debts from being paid off, totally or in part." [Text] [Guatemala PRENSA LIBRE in Spanish 26 Aug 82, p 8] 8255

CSO: 3248/51

## BRIEFS

IMF AID REQUESTED--Belmopan, 21 September (ACAN-EFE)--Prime Minister of Belize George Price stated here today that his government is seeking aid from the International Monetary Fund (IMF) to counter a scarcity of financial resources that the government is encountering. Price spoke to journalists about the Belizean economy on the occasion of the first anniversary of the independence of Belize, granted by England on 21 September 1981. He said that he has asked the IMF for aid in order to compensate for the losses in revenue from exportations, given the low prices on the world market of sugar and citrus fruit, the country's chief export products. He did not disclose the amount of money requested of the Monetary Fund, but explained that the cooperation will be unconditional. Price said that he has also asked the World Bank for economic aid for developmental projects, including enlargement of the deep water port of the city of Belize, improvement of the international airport, and the betterment of the rice, banana, and meat industries. Concerning the state of the Belizean economy, Prime Minister Price said that the economy is making slow headway. He emphasized that the devaluation of the Mexican peso has reduced Belize's revenue as a result of tariffs on goods that go from Belize to their Mexican destination. [Text] [Guatemala EL IMPARCIAL in Spanish 21 Sep 82 pp 1, 6] 8255

CSO: 3248/53

## THIRD IBOPE POLL SHOWS PDS, PMDB DIVIDING EIGHT MAJOR STATES

Rio de Janeiro O GLOBO in Portuguese 12 Sep 82 pp 8, 9

[Text] The biggest surprises of the current election campaign are the prospects of a PDS [Social Democratic Party] victory in Pernambuco and Rio Grande do Sul, two of the states where the PMDB [Brazilian Democratic Mobilization Party] had been sure of winning. But the PMDB is gaining in Rio de Janeiro and Sao Paulo, where the PDS cherished the hope of benefiting from a divided opposition.

The third round of the poll of 18,000 interviews made by IBOPE [Brazilian Public Opinion and Statistics Institute] for the Globo Television Network, O GLOBO and the ISTO E magazine shows which parties have the most supporters among voters of the eight states where 70 percent of the vote on 15 November is expected to be cast. On the two previous Sundays, the poll showed the large number (40 to 60 percent) of voters still undecided, revealed which candidates for governor, senator and federal deputy are closest to victory, identified the leading vote-getters and measured the degree to which the public is unaware of linked voting.

This time, in asking the voters which party they wished to vote for, the poll shows that the first multiparty elections since 1964 will, in fact, be a competition between two parties--the PDS and the PMDB. These two parties make an even split of the eight major states--the PDS dominating Pernambuco, Bahia, Santa Catarina and Rio Grande do Sul; the PMDB controlling Minas Gerais, Parana, Rio de Janeiro and Sao Paulo.

But there are two exceptions in which small parties may tip the scale or even buck the trend toward a confrontation limited to the PDS and the PMDB. In Rio de Janeiro State, the PTB [Brazilian Labor Party] is almost even with the PDS for second place, and in Rio Grande do Sul the PDT [Democratic Labor Party] is taking away votes from the PMDB, which is losing to the PDS by a narrow margin.

## Four PDS Victories

While Roberto Magalhaes was taking a 36.6 to 24.2 percent lead over Marcos Freire in the race for governor, the Pernambuco PDS was pulling even further ahead of the PMDB. The sample of 2,000 interviews in Pernambuco revealed that a little more than half (56.2 percent) of the state's voters prefer the PDS, while 29.5 percent are PMDB followers.



This means that the earlier voting for Marcos Freire represented 66 percent of that polled by Roberto Magalhaes. Now, in the matchup between parties, the Pernambuco PMDB is getting only 52 percent as many votes as the PDS. A surprising gap, when compared with that of the former parties existing in 1978, when the only statewide election was for senator.

At the time, the only candidate of the then MDB [Brazilian Democratic Movement] for the Senate, Jarbas Vasconcelos, received 48.5 percent of the 1.3 million votes considered valid. He alone had 654,592 votes. But it was the total of the votes of the two candidates of the former ARENA [National Renewal Alliance] that defeated him: Nilo Coelho, 367,720 votes, won the Senate seat; Cid Sampaio, 325,777 votes, is now in the PMDB, again as a candidate for the Senate. The two ARENA candidates had 693,497 votes--51.5 percent of those valid.

This time the strength of the PDS as a party seems to annul the charisma of one who had one of the most certain victories of this year, as shown by the electoral map designed for the poll. In Recife, for example, 28.7 percent of the votes favored Marcos Freire and 19.5 percent were for Roberto Magalhaes, when the first round of the poll was reported 15 days ago. It is now known that that the PMDB has 43.7 percent of the votes in the state capital, while the PDS has 35.8 percent. In other words, in this stronghold, considered an opposition sanctuary, Roberto Magalhaes has only 68 percent as many votes as has Marcos Freire--but the voting for the PDS corresponds to 82 percent of the votes for the PMDB.

In the rest of the state, the government party skyrockets: it has 67.6 percent of support compared with 22.5 percent given the PMDB. The leading opposition party will thus not have more than one-third as many votes as the PDS in the rest of Pernambuco. As in the state capital, the name of Marcos Freire is also stronger than his party in the interior, where he has 22.8 percent against 41.9 percent for Roberto Magalhaes. In other words, the votes received by Marcos Freire represent 54 percent of those received by Roberto Magalhaes.

#### Rio Grande do Sul

The PDS victory that is beginning to appear on the Rio Grande do Sul horizon is not by so wide a margin as in Pernambuco. There, the government party has 32.9 percent and the PMDB, 28.7 percent. But, unlike [sic] what occurs with Marcos Freire, the PMDB candidate for governor of Rio Grande do Sul, Pedro Simon, appeals to the electorate more than does his party. While the PMDB votes amount to 87 percent of those for the PDS, when the preference for names was tabulated Pedro Simon (23.3 percent in the IBOPE) has 96 percent as many votes as received by Jair Soares (24.2 percent in the IBOPE), the PDS candidate.

The appeal of the PDT to the electorate is apparently insignificant, as it represents half (14.4 percent) as many as received by the PMDB (28.7 percent). But it is decisive in the race between the PMDB and the PDS.

When the election campaign moves from the capital to the municipalities of the Porto Alegre metropolitan area and the voters find themselves in the dilemma of choosing a party, the PDT candidate for governor, Alceu Colares, begins to lose ground. His name attracts 18 percent of the electorate surrounding Porto Alegre,

a little more than that for Jair Soares (17.6 percent). But in the same area the party preference reverses this position: the PDS has 20.3 percent and the PDT has 19.2 percent. In the rest of the state the PDS widens the gap separating it from the other two parties: it gains 36.3 percent of the electorate, compared with 27.6 percent for the PMDB and 12 percent forecast for the PDT.

#### Santa Catarina

The three victories of Esperidiao Amin, PDS candidate for governor of Santa Catarina, have now become four. In the previous rounds of the poll he accomplished the feat of beating by a wide margin the PMDB candidate, Jaison Barreto; of losing the insignificant amount of 4.8 percent of his vote when linked to those of candidates for state deputy; and of having a percentage of support almost equal to the number of undecided voters in his state (36.6 percent).

Now, Esperidiao's party is taking a commanding lead over the PMDB in Florianopolis, a feat not accomplished by the PDS in any other capital of the eight states polled, where the opposition's vote is generally larger. The very name of Esperidiao--a lawyer and administrative expert not yet 35 years old, former mayor of Florianopolis and in his first term as federal deputy--threw a scare into Jaison Barreto's candidacy in the state capital, where the latter lost by a difference of 29.6 percent to 19.2 percent. This time around, Esperidiao's party took a strong lead: it has 43.2 percent of the vote in Florianopolis, compared with 20.8 percent given the PMDB. In Greater Florianopolis the PMDB hangs on to the same 14.7 percent of the vote that Jaison Barreto's name had attracted--and the PDS jumped from the 52 percent preference given Esperidiao to the 58.7 percent showing of party strength.

#### Bahia

Bahia not only preserves, but expands a trend of previous elections: the victory of the government party. PDS candidate Cleriston Andrade received 31.2 percent of the support when the IBOPE pollsters asked Bahia voters whom they would choose for governor. PMDB candidate Roberto Santos took 23.7 percent. The votes for Roberto Santos thus represented 76 percent of those for his opponent, a mark that the race between the two parties reduced to 64 percent, as the PDS was preferred by 40.9 percent of the voters and the PMDB, by 26.2 percent.

There is a peculiarity in the Bahia elections when the votes are divided by regions. In Salvador, for example, the government party does not gain when the voter gives his opinion about the parties: Cleriston Andrade, 24.6 percent; PDS, 24.3 percent. In the rest of the state, it is the opposition party that does not advance: Roberto Santos, 23 percent; PMDB, 23.9 percent. The rest of the state is where the PDS widens its lead over the PMDB: the comparison between Cleriston Andrade and Roberto Santos changes from 34.5 percent versus 23 percent to 46.9 percent versus 23.9 percent when the decision is made on the basis of the parties they represent.

#### PMDB Fall in Pernambuco

The story of the fall of Marcos Freire and the rise of Roberto Magalhaes as favorite to win the governorship began with the simple announcement of total linked

voting. Marcos Freire denies this. In an informal conversation with Pernambuco newsmen recently, he even suggested the opposite: "If it were not for linked voting, the PDS candidate would win by 1 million votes or more."

But, according to other PMDB leaders in Pernambuco, introduction of linked voting altered the course of the electoral campaign in the state. To begin with, Marcos Freire fell from being the overwhelming favorite to competing on equal terms with PDS candidate Roberto Magalhaes, who is unwilling to credit his success merely to the requirement to vote for candidates of the same party.

"I attribute the growth of our party," said Roberto Magalhaes, "to, among other things, the harmony of our statewide ticket, party solidarity, the administrative work of the Marco Maciel government and the message of optimism and confidence in the future we carry to the people."

But the rise of the PDS also took place to the degree that the PMDB was weakened by the internal crisis caused by Senator Marcos Freire's imposing the name of former governor Cid Sampaio (former PP [Popular Party] member) for the Senate, against the will of former deputy Jarbas Vasconcelos and former governor Miguel Arraes. Jarbas and Arraes consider the presence of Cid on the PMDB platform dilutes the opposition's image. For that reason they have avoided accompanying the statewide PMDB candidates at local appearances unless invited personally by Marcos Freire.

The speeches of Jarbas, Arraes and most of the other candidates for Chamber of Deputies do not mention the name of Cid Sampaio, whose candidacy has not yet been digested by a large portion of the electorate, especially in the state capital.

This long period of intraparty crisis had at least two serious negative consequences for Marcos Freire's candidacy: it delayed the start of the statewide campaign and deprived the speaker's platform of Jarbas Vasconcelos and Miguel Arraes, probably the two best votegetters running for deputy in this election. Each of them is now working in his own behalf. The only reason they did not launch an alternative slate to oppose Marcos and Cid at the convention was that they considered it too late to do so successfully.

"I am convinced that the candidacy of Cid Sampaio did not add a single vote for the opposition. On the contrary, besides the fact that he did not bring the PMDB even one city councilman, he will alienate traditionally oppositionist votes in the Recife metropolitan region," asserted the PMDB leader in the Legislative Assembly, Deputy Sergio Longman, only deputy of his party connected politically with Miguel Arraes.

#### Competence

While the PMDB was mired in its most serious internal crisis, the PDS was adopting the opposite behavior: it conducted the process of putting together the statewide slate with a competence that even its opponents acknowledged. Roberto Magalhaes, formerly lieutenant governor under Marco Maciel, was named to head it. He had not sought the nomination and yet received the party's unanimous backing. The choice as his running mate for lieutenant governor was the former mayor of Recife,

Gustavo Krause, who has a strong following in the state capital and had been launched as a candidate for governor at a mass rally in the Casa Amarela neighborhood on 15 November last year. Finally, Marco Maciel was made the only candidate for the Senate.

Besides party harmony, the PDS slate has the further advantage, as Gustavo Krause points out, of pleasing different groups of the electorate. While Magalhães has almost the complete support of the business community and Krause, of some former opposition strongholds in Recife, Maciel, considered a liberal politician, enjoys a reputation that varies from fair to excellent, in both the capital and the interior.

"This is why everyone in Pernambuco knows what a Roberto Magalhães administration will be like, as I am the candidate of only one party, which has only one message and commitment to two ideals: the president's process of liberalization and the great interests of our state," asserts Roberto Magalhães himself.

"This country has changed much in the last 20 years," the PDS candidate continues, "and some politicians have not perceived this. The time of tricky maneuvers and political fronts is past. I am quite certain the voter no longer accepts the demagoguery and inconsistency of a political front, where bankers and sugarmill owners appear on the same platform with Gregorio Bezerra, for example. In the event the opposition comes to power, who will direct government policy: the businessmen represented by Cid Sampaio, the most authentic faction of the PMDB represented by Jarbas Vasconcelos, or the MR-8 [8 October Revolutionary Movement] extremists?"

### Strategy

The fall of the PMDB from the electorate's favor could also be attributed to its campaign strategy, which has been greatly criticized by Jarbas Vasconcelos.

"The strategy is all wrong," he says, "and it doesn't look to me like the party intends to change it. The PMDB should concentrate its campaign on the Recife metropolitan region (nine municipalities) that now has over 1 million voters, rather than letting itself be impressed by large crowds in the interior of the state."

What Jarbas criticizes the most is that Marcos Freire and Cid Sampaio have spent almost 2 months of the campaign together in towns of the countryside and backlands, both PDS strongholds, waiting until October to step up their campaign in Greater Recife. Jarbas reasons that, regardless of Marcos Freire's presence, the countryside and the backlands will not give the PMDB any less votes than in 1978, when the party received less than 15 percent of the vote in those regions. On the basis of those figures, he thinks the PMDB should send Cid Sampaio to the countryside, where he might be in a position to draw some votes away from the PDS, and concentrate Marcos Freire, Jarbas himself and Miguel Arraes in the coastal region and in Greater Recife, where the opposition is strong and the campaign has hardly begun.

This, moreover, has been the PDS strategy. While Gustavo Krause works Recife on a daily basis, setting up election committees in the poorer neighborhoods benefited



by his administration, Marco Maciel and Roberto Magalhaes hit the rest of the state, usually accompanying Governor Jose Ramos in inaugurating public works. There is thus a certain rationality in the way the PDS uses its leaders, as Krause couldn't do the party any good in the countryside, nor would Magalhaes or Maciel be very useful in Recife.

#### Man of the Backlands

Besides the activity of the state administration, which is working at top speed in favor of the PDS candidates, an explanation for the rise of Roberto Magalhaes can also be found in the speeches of the candidates. While the more ideological wing of the PMDB, led by Miguel Arraes, complains of the "unaggressive" nature of Marcos Freire's speeches, blaming this on his being flanked by a sugarmill owner who formerly belonged to the ARENA, the PDS has appeared more assertive in the rallies in the state's interior. The image of Roberto Magalhaes held by much of the public is that of a responsible and honest, frank and loyal politician, "but who does not confuse loyalty with submission," as he himself has said.

In the visits he makes to the interior, the PDS candidate tries to identify himself as a man of the backlands, recalling that he is a nephew of an illustrious backlander, Agamenon Magalhaes, who was a state governor and minister. And he has committed himself to follow through on the public works of the Marco Maciel administration, undoubtedly one of the most favorable to the backlands in the last 18 years.

Marcos Freire, in turn, can no longer capture the electorate, especially the youth and the women, as happened in his election to the Senate in 1974. The thrust of his speeches has been that it is necessary to install a democratic regime in Brazil and that this will only be possible through unity of all forces opposed to the government, regardless of any ideological differences that might exist. Nor does the senator manage to arouse the electorate by condemning inflation, unemployment and the high cost of living ("our party's greatest adversaries," according to Roberto Magalhaes), because in his trips throughout the state he has said that, if elected, he will have no answer to solve these problems.

"I am sure the majority of votes given the opposition will not be in response to its message. They will be much more a protest against inflation and living costs than support for the PMDB. I myself know some very fine people--friends of mine--who have come to me saying: 'Look, Roberto, I know you are the best candidate, but I am going to vote for the PMDB to protest the government's economic policy.' If it were not for such factors, my victory would be almost a romp," the PDS candidate confessed.

#### Four PMDB Victories

Of the four states in which its party is leading, it is in Rio de Janeiro that the PMDB has the most comfortable position: its votes equal 84 percent of those for all other parties combined.

Moreover, indications of this preference are well distributed throughout the variables into which the poll's universe was divided: in only two segments does the PMDB fail to be in first place.

In the income bracket over 25 times the minimum wage it falls to second place, with 14.9 percent, yielding the lead to the PTB (17 percent). Also in the category IBOPE calls "other activities" in distribution according to occupation, the PTB, with 20.9 percent of the preferences, knocks the PMDB (19.4 percent) into second place.

Rio de Janeiro is also the only state where the PDS does not even come 1 second: the poll gives it 14.3 percent. The best showing by the PDS is among farmers, with whom the PDS (27.7 percent) runs somewhat behind the PMDB (31.9 percent) but far ahead of the PTB (6.4 percent).

The PMDB position also looks safe in Sao Paulo, where it has almost twice the vote given the PDS. The party's candidate for governor, Senator Franco Montoro, uses this figure to guide his campaign. To preserve his lead, he declares himself ready to continue exploiting what he defines as the difference between the positions and programs of the PMDB and the PDS, "one representing decentralization, participation, employment creation; the other, maintenance of the centralist and authoritarian regime."

Former mayor Reynaldo de Barros, PDS candidate for governor of Sao Paulo, says he prefers to rely on his own polls. And he will continue to follow the campaign plan of his staff, certain that in this way--which concentrates on meetings with candidates for mayor and municipal councilman and with various community representatives--the voters of the state will favor him and the PDS.

In Parana the PMDB is winning. But there are signs that its position is seriously threatened by the PDS. In the highest income brackets, capable of strongly influencing the average voter, the PDS predominates. Among those making more than 25 times the minimum wage the government party beats the PMDB by 33.3 percent to 31.1 percent. In the next bracket (between 16 and 25 times the minimum wage), the lead widens: 34.9 percent to 30.2 percent. Government workers, whose complaints generally favor opposition candidates in Parana, are strongly backing the government: 47.7 percent support the PDS and 29.2 percent, the PMDB.

Aside from all this, the Parana PDS has a leader who represents perhaps the major individual political force in the state: former governor Ney Braga, who is running for a Senate seat and, competing with the three-man PMDB multicandidate slate, is beating them, reversing the trend toward the opposition in the other contests.

Ney's strength may become even more decisive to the extent that his announced candidacy for president of the republic creates the prospect of Parana's participating --via the PDS--in the national government.

In Minas Gerais the PDS and its candidate for governor, Eliseu Resende, are thinking of revising their campaign. Eliseu is trying to reduce the distance separating him from Tancredo Neves (his votes represent 70 percent of those given the PMDB candidate); and at the same time he is trying to do as well as his party, as the poll figures indicate the PDS can garner 91 percent as many votes as the PMDB.

The PMDB advantage, in fact, is not enough to give it a sure prospect of victory. There are points where the PDS predominates. For example, it is stronger outside

Belo Horizonte (30.7 percent to 29 percent), has more decisive support in higher-income groups (35.9 percent to 28.2 percent) and, among occupational categories, leads in two segments of considerable importance in Minas Gerais: farmers and government workers.

Among farmers, the PDS has 30.3 percent, versus 25.8 percent for the PMDB; among government employees, it leads the PMDB by 37.7 percent to 26.7 percent.

Such variations lead the PDS to two conclusions: on the one hand, there are advantages that must be exploited more effectively; on the other, there are obstacles the party has been unable to overcome--or even assess--during the early stages of the campaign. For this reason during the last 2 weeks the PDS campaign in Minas Gerais began to change its tune and, according to its coordinators, to reduce the gap still separating the PDS from the PMDB.

#### Eliseu's Wise Men Enter the Scene

Advertising men handle advertising; Mineiros [resident or native of the state of Minas Gerais] handle politics: that is the new order of assignments in conducting Eliseu Resende's campaign to overcome the lead of Tancredo Neves. The advertising agencies were not dismissed: they continue producing and distributing signs, banners and billboards. But the tone of attack or defense is being set by a kind of council of wise men, specialists in the Mineiro art of counterpoint between silence and sound, action and inaction.

This council is made up of some of the best remnants of the PSD [Social Democratic Party] (Hugo Aguiar, Pío Canedo, Eugenio Klein-Dutra and Murilo Badaro) and UDN [National Democratic Union] (Jose Bonifacio Lafayette de Andrade, Jose Monteiro de Castro and Geraldo Freire) schools of traditional Mineiro politics. They are joined by Oswaldo Pierucetti--who is not exactly an historic UDN member but is associated with this group because he is a confidant of deputy and former governor Magalhaes Pinto--and Vice President Aureliano Chaves, who gives this support center a transcendence beyond the territorial limits of Minas Gerais.

In Minas Gerais, explain the PDS campaign coordinators, supreme importance may be given the smallest detail. Thus, one of the main functions of the council now surrounding Eliseu Resende is to identify such apparently imponderable details, to avoid or remove obstacles. Selecting invitations, providing background about antagonisms--present or past--in the local municipal setting, establishing orders of precedence, motivating fraternal organizations or associations, explaining ambiguities: all this is a responsibility of the council.

But it is the talent for listening to rumors of Mineiro politics with the ear of a piano tuner that makes each of these advisers most valuable. And one of them has summarized the basic guidelines and new language of the gubernatorial candidate:

"It must contain the appeal to comparison between what the PDS candidate and the opposition have done in the past; it must warn against the demagogic preaching of the opposition; it must praise the simplicity of our candidate's lifestyle."

Such instructions are being followed to the letter by Eliseu Resende, who frequently asks votes for "one who has a record of accomplishments"; and he recalls, at rallies, having been a poor boy, "son of a photographer who had to work his way through school."

#### PMDB Does Not Change Tune

The change in tone of the PDS campaign does not seem to bother the PMDB.

Senator Tancredo Neves, the party's candidate for governor, continues to address subjects from local problems--such as construction of a highway--to national problems, such as the cost of living. And he promises "an open government, with the participation of all," the "immediate creation of a Christmas bonus of 1 month's pay for state employees," reopening farm credits, and "jobs for all." He goes so far as to vow:

"In my government, I swear to God, no one will go without a job."

In closed meetings, however, the language of Eliseu Resende and of Tancredo Neves are similar: both speak of the need for voters to be taught about linked voting; they bring up local problems and encourage wall signs. Tancredo, according to one of his campaign coordinators, does not take part in a meeting with local leaders without first having with him a complete survey of the problems that directly affect those participating in the meeting.

Whereas until now the PDS has concentrated its advertising on large urban centers such as Belo Horizonte, the PMDB has preferred the rest of the state. One of the PMDB coordinators, however, asserts that starting the 15th of this month the party will spend the last 2 months of the campaign emphasizing the larger cities. Senator Itamar Franco, a candidate for reelection, will supervise this stage of the campaign from Belo Horizonte.

The strategy of Tancredo Neves reflects his concern for frugal use of financial resources. One of his aides says:

"We are saving money in order to spend it in the last 2 months in Belo Horizonte. If we were to spend it sooner, by the end of the campaign we would be poor and wouldn't even have a sign to post."

Another PMDB campaign director explained that until now the party has concentrated on the rest of the state because of its analysis of polling results. They revealed that linked voting could lose many votes for Tancredo in small municipalities.

#### Shares of Each Party in Rio de Janeiro

The relative strength of each of the political parties in Rio de Janeiro State shown by the IBOPE poll reflects fairly precisely the state's economic and social conditions, where production structures, for example, have remained practically unchanged in the last 20 years.



That is the opinion of Jose Nilo Tavares, teacher of a course in Political Parties in the Sociology Department of the PUC [Pontifical Catholic University] of Rio de Janeiro. The percentages of preference received by the parties--from 34.4 percent for the PMDB to 4.4 percent for the PT [Workers Party]--are, according to him, easily explainable.

#### Relative Affinity

Jose Nilo remarks that there is never a perfect symmetry between the expectations, interests and pressures of various social groups and establishments and the proposals of the parties that to some extent represent them.

"But, although there is not perfect symmetry, there is affinity. And, to the extent that two decisive factors--party organization and campaign mobilization--are present, the degree of affinity tends to increase.

"The candidacy of Miro Teixeira, for example, suggested at first an almost exclusive connection between the candidate and his party and the government of the state.

"The process of developing the organization of the PMDB on the one hand and, on the other, the mobilization of the campaign--establishing new bases of support and giving an ideological aspect to the candidacy--had the effect of showing that the PMDB and its candidate are the state government but are, likewise, much more than the state government. And this 'much more' could be taken to be something more important, more decisive than the initial PMDB-Miro-state government association.

"The PMDB," Jose Nilo Tavares summarizes, "overcame, through the campaign and the work of organization, the contradiction of being the opposition on the national scale and the government on the state scale. It defined itself preponderantly as the opposition, and was thus in a position to absorb the majority of an electorate which traditionally has had an 'oppositionist leaning' of as much as 70 percent."

#### Tradition Versus Reality

Tradition, observes Jose Nilo, exists and is influential in terms of political parties. But it is not the only determining factor.

"Within an economic and social structure almost unchanged in recent years, there are, however, some changes. Certain establishments or social groups are gaining or losing privileges, economic power and influence. As a result, their political leanings, their political-party affiliation, tend to change. Years ago, for example, physicians and teachers would have been--and were--voters favorable to the UDN of Lacerda. Today, they lean toward the opposition, mainly the PMDB, to the degree that, despite an unchanged economic and social position--or because of it--they have less to preserve and more to complain about. The same can be said of students, of small merchants, of owners of small industrial firms."

Jose Nilo believes exclusive consideration of a division into social classes--the bourgeoisie and the workers--would only partially explain the division of preferences among the various parties.

"In regard to the bourgeoisie, two things can be said: their party choice is seldom explicit; and their proportion, in merely demographic terms, of the Rio de Janeiro electorate is very small: it would be less than 5 percent."

#### Uniting the Extremes

Although without an explicit, defined choice, the bourgeoisie tend toward certain polarizations.

"In Rio and in the conditions of Rio, that tendency would lean predominantly toward the PDS and the PTB. If the bourgeoisie does not participate in a more defined and explicit manner it is because it is believed, in any event, to be a participant in power. To the extent that the terms 'government' and 'power' overlap, it will lean to the PDS--which, moreover, carries a legacy from the erstwhile PSD and UDN.

"The other of two poles is the PTB, less as a result of its platform and more as a function of its nature--the people who belong to it, the repercussions it retains of former political and party options.

"The PTB illustrates the bourgeois manner of acting politically. Demographically, this class represents a very small portion of the population. But it is the class that has the resources to propagate its own ideas. It thus surmises and assumes that it can garner support in classes lower on the economic scale. It tries to unite extremes, through the form of its campaign, the people chosen as candidates and the slogans adopted."

This explains, according to Jose Nilo Tavares, the fact that the PTB, which has 15.6 percent of the voter preference in Rio de Janeiro, rises to 17 percent in the income bracket above 25 times the minimum wage. And, even more, the fact that Sandra Cavalcanti, the party's candidate, goes from an overall average of 17.9 percent to 27.7 percent in the income bracket above 25 times the minimum wage.

"If the party and its candidate do not get a larger share of the vote in the lower income brackets, it will not be the fault of its strategy, but a reflection of actual conditions. The part of the bourgeoisie that belongs to the PTB comes from a long line of clever politicians who were able to obtain a good share of the vote in all social classes; in other words, to a certain extent, they managed to unite these extremes. Today's conditions, however, make that cleverness and effort less useful. Look at the slogan: 'Let's clean house.' This appeal to common sense runs up against a reality that has two components: the oppositionist leaning, in the broad sense, turned especially against what is represented by the federal government; and problems of survival, due to economic and social stagnation. Hence, instead of arousing a reply, it suggests a question--although not explicit: 'But who built the house?' This question makes the slogan a sort of 'boomerang'."

#### Weakness of PT

According to Jose Nilo Tavares, the weakness of the PT in Rio de Janeiro is also easily explained:

"The same stagnation that prevents a greater recovery by the bourgeoisie prevents emergence of new phenomena within the working class. Lula's ideas don't go over in Rio, which does not have--at least as a general rule--the same capital-labor relations as does Sao Paulo. It is thus symptomatic that the party's candidate is Lysaneas Maciel, a candidate whose social philosophy is far different from what is proposed and being done by the Sao Paulo PT."

The PDT, he concludes, is a variant of the opposition.

"A very peculiar variant, which loses, in general terms, by refusing to take part in what is of great importance in politics: making deals, agreements, compromises. But which, precisely because of this, does better among certain groups of voters. The PDT attracts 6.7 percent of Rio de Janeiro voters, but its rating rises to 9.4 percent in the 18-to-24 age group. Why? Because this is the group where one finds the nonconformist, not only in political terms, but in relation to agreements, concessions, the deals that would be necessary to reverse the situation."

According to Jose Nilo, "young people tend toward a certain radicalism, and this radicalism is embodied in the person and party of Leonel Brizola.

"And not just because of the language that the PDT and Brizola use. The image of radicalism that accompanies him is not due entirely to his actions. It results from the fact that, whether he wished it or not, he was kept out of politics for almost 15 years. So, for those who reject the idea of making deals, he is the candidate who does not carry the stigma of having (due to having been out of the explicit political game) made deals, in one form or another, with the dominant situation."

The summary below shows which forces are, according to the definition of Jose Nilo Tavares, grouped in each party in the state of Rio de Janeiro.

PMDB (34.4 percent): Beneficiary of the oppositionist leaning of the Rio de Janeiro voter: the party organization and the mobilization of the campaign give it the largest share of the "opposition vote" in Rio.

PTB (15.6 percent): Heir to a portion of those who followed the politics of Carlos Lacerda; also has a share of laborite populism; is trying to unite the extremes of the socio-economic scale.

PDS (14.3 percent): Identified with the government and with those of the middle class believed to share its power; retains the organization of the former PSD, still strong in rural areas and small towns.

PDT (6.7 percent): Variant of the opposition; image identified in relation to the banishment of Brizola from politics by AI-5 [Institutional Act No 5]--as the most radical wing of the opposition.

PT (4.4 percent): Identified with the intention of altering socio-political structures; with its appeal limited as a result of the very stagnation of the socio-economic structure in Rio de Janeiro.

## Who Is Government, Who Is Opposition

"In the opinion of the voter, which of the current parties can be considered as of the government and which, as of the opposition?"

That question, asked of the 18,000 interviewed by IBOPE--a number never before reached in any other election poll--resulted in the knowledge that in all eight states comprising the poll the image of the PDS as the government party is much clearer than that of the PMDB as the opposition party.

The peculiarity of Rio de Janeiro--a state where the PMDB is the government on the state level and the opposition on the federal level and where the PDS is making its only opposition campaign--makes it more difficult to clearly identify the real characteristics of the parties, as the 2,000 interviews made there by IBOPE demonstrated.

The PMDB, for example, is seen as the opposition party by a little less than half (49.3 percent) of the voters and as the government party by 22.2 percent. The PDS, in turn, is considered the government party by 53.4 percent of the electorate and as the opposition by 17.9 percent. The result is that the PT emerges only in Rio de Janeiro as the party most frequently identified as of the opposition (50.8 percent). Even so, 12.9 percent of those interviewed consider it the government party.

Leonel Brizola's PDT emerges as the third party cited most often as being of the opposition, with 47.7 percent. But only a few (15.1 percent), compared with the others, think it is a government party.

Among parties defined as opposition, Sandra Cavalcanti's PTB is in last place; only 44.3 percent of the voters consider it as such. Although the PTB does not share in the state government, it is associated with the state government as much as is the PMDB (22.2 percent).

In Sao Paulo, the PMDB is definitely the party most mentioned as being of the opposition (60 percent). But 13.5 percent think it is the government party. The second party most associated with the idea of opposition is Lula's PT (57.2 percent); followed by the PTB of Janio Quadros (47.4 percent), the PDT (45.5 percent) and the PDS (8.8 percent). The PDS is considered the government party by 66.3 percent of the voters; the PTB, by 13 percent; the PMDB, by 13.3 percent; the PDT, by 12.1 percent; and the PT, by 7.6 percent.

The percentages identifying the PDS as the government party in the other states are as follows:

- Minas Gerais: 56.1 percent;
- Rio Grande do Sul: 86.9 percent;
- Pernambuco: 92.4 percent;
- Bahia: 70.4 percent;
- Parana: 69.9 percent;
- Santa Catarina: 85.1 percent.



The percentages identifying the PMDB as the opposition party in the same states are as follows:

Minas Gerais: 49.1 percent;  
Rio Grande do Sul: 78.4 percent;  
Pernambuco: 89.5 percent;  
Bahia: 60.8 percent;  
Parana: 63.6 percent;  
Santa Catarina: 80.1 percent.

Party	Pernambuco (percentages)				Rio Grande do Sul (percentages)			
	Total	Capital	Suburbs	Countryside	Total	Capital	Suburbs	Countryside
PDS	56.2	35.8	45.1	67.6	32.9	27.8	20.3	36.3
PMDB	29.2	43.7	34.6	22.5	28.7	32.4	31	27.6
PDT	0.0	0.0	0.0	0.1	14.4	21.7	19.2	12
PTB	0.7	1.3	2.6	0.0	0.6	0.3	1.5	0.6
PT	0.5	0.9	1.2	0.3	2.7	5.8	3.8	1.8
Undecided	8.9	9.2	14	7.3	15.1	11	18.8	15.3
Don't know	2.3	4.3	1.2	1.9	3.6	0.0	2.3	4.6
No opinion	1.6	4.9	1.5	0.4	1.8	1	3.1	1.8

Party	Santa Catarina (percentages)				Bahia (percentages)			
	Total	Capital	Suburbs	Countryside	Total	Capital	Suburbs	Country
PDS	43.1	43.2	58.7	42.5	40.9	24.3	28.3	46.9
PMDB	30.5	20.6	14.7	31.9	26.2	41.2	18.9	23.9
PDT	0.5	1.6	0.0	0.5	0.3	0.3	1.3	0.2
PTB	1.1	0.0	2.7	1.1	1.5	3	2.6	1
PT	0.7	1.6	0.0	0.7	4.2	6.8	9.4	2.8
Undecided	15.5	11.2	8	16.1	19.3	20.2	25.8	18
Don't know	4.6	8	10.7	4.1	5	2.4	6.4	5.4
No opinion	3.8	13.6	5.3	3.1	2.4	1.8	7.3	1.7

Party	Rio de Janeiro (percentages)				Minas Gerais (percentages)			
	Total	Capital	Suburbs	Countryside	Total	Capital	Suburbs	Country
PDS	14.3	8.5	18	22.2	27.5	13.4	13.7	30.7
PMDB	34.4	33	33.9	37.7	30.2	33	44.4	29
PDT	6.7	7.9	6.8	4.2	0.9	1.4	0.0	0.9
PTB	15.6	17.7	17	10.1	1.9	4.5	0.9	1.4
PT	4.4	5.1	3.8	3.8	5.5	9.1	6.8	4.8
Undecided	18.1	20.9	15.4	15.5	24.7	27.5	22.2	24.3
Don't know	4.4	4.3	3.6	5.4	8.2	8.4	9.4	8.1
No opinion	1.9	2.5	1.6	1.2	1.2	2.7	2.6	0.8



Party	Sao Paulo (percentages)				Parana (percentages)			
	Total	Capital	Suburbs	Countryside	Total	Capital	Suburbs	Countryside
PDS	19.3	13.9	15.4	23.9	27	21	24.7	28.2
PMDB	32.5	29.9	31.7	34.5	31.8	31.7	28.9	32
PDT	1.4	1.9	1.2	1	0.6	1.7	0	0.4
PTB	5.4	6.4	8.1	4.2	5.1	9.7	6.2	4.2
PT	10.8	14.3	15.4	7.3	2.2	3.4	1	2
Undecided	21.8	23.7	21.5	20.6	25.4	19.7	34	26
Don't Know	6.3	6.6	3.8	6.7	5.9	11	5.2	5
No Opinion	2.4	3.2	2.9	1.8	1.9	1.7	0.0	2.1

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## MULTINATIONAL FIRMS RESPONSIBLE FOR 24 PERCENT OF 1980 EXPORTS

Rio de Janeiro O GLOBO in Portuguese 12 Sep 82 p 38

[Text] Multinational companies in Brazil were responsible for 24 percent of the nation's exports in 1980--about \$4.86 billion, of which \$3 billion represented the sales of only 105 companies.

Research conducted recently by economist Reinaldo Goncalves, professor at Rio de Janeiro Federal University [UFRJ], shows that 647 multinational firms are responsible for 32 percent of Brazil's industrial production.

"These companies are also responsible for 23 percent of the jobs in industry," according to the economist, whose research also reveals that 84 multinational firms operating in Brazil are responsible for 25 percent of advertising expenditures made annually in the nation.

## Concentration

Reinaldo Goncalves says that multinational firms try to concentrate their activities in Brazil in areas that "pull" the economy, such as transportation (manufacture of vehicles and auto parts, shipbuilding and railway rolling stock), electro-electronic material and heavy machinery (capital goods).

In the case of capital goods, the multinational companies were responsible in 1977 for 46 percent of production. In the same year their share in consumer durable goods rose to 56 percent.

In analyzing the activities of the multinational firms with subsidiaries in Brazil, Reinaldo Goncalves learned that the 100 largest of them are responsible for 75 percent of all sales made annually in the nation by the 637 [sic; 647?] multinational firms surveyed.

The UFRJ economist identified the 1968-75 period as the time of greatest penetration by foreign capital in Brazil:

"From then until now," he asserts, "multinational investment has not changed. In some cases--the United States, for example--there was a reduction in the percentage share. In 1970 U.S. firms were responsible for 40 percent of multinational investments in Brazil; in 1981 their share fell to 28 percent. At the same time, FRG investments increased."

Foreign Investment, Reinvestment in Brazil: The 11 Largest Investors as of 31 December 1981 (thousands of dollars)

Pais (1)	(2)	Investimentos	Reinvestimentos (3)	Total	%
Estados Unidos (4)		3.730.641	2.040.509	5.771.150	29,99
Alemanha Ocidental (5)		1.890.222	737.917	2.628.139	13,66
Suíça (6)		1.147.458	809.971	1.957.429	10,17
Japão (7)		1.644.655	165.694	1.810.349	9,41
Inglaterra (8)		532.061	485.826	1.017.887	5,29
Canadá		649.742	249.557	899.299	4,67
França (9)		418.839	283.645	682.484	3,55
Panamá		411.147	234.028	645.175	3,35
Itália (10)		443.169	61.639	504.808	2,62
Liberia		405.928	19.714	425.642	2,21
Luxemburgo (11)		316.648	79.415	396.063	2,06
fonte: Banco Central (12)					

Key:

1. Country
2. Investments
3. Reinvestments
4. United States
5. FRG
6. Switzerland
7. Japan
8. Great Britain
9. France
10. Italy
11. Luxembourg
12. Source: Central Bank

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## INCLUSION OF AGRICULTURAL PRODUCTS IN GATT TO BE SOUGHT

Rio de Janeiro O GLOBO in Portuguese 19 Sep 82 p 41

[Text] Brasilia--Brazil will advocate inclusion of agricultural products in the General Agreement on Tariffs and Trade [GATT] at its November meeting in Geneva. This would be a way of defending Brazilian products from heavy subsidies granted by developing countries, as is now the case with sugar in the European Economic Community [EEC]--the main cause of the sharp drop in international sugar prices.

Another Brazilian proposal at the GATT meeting, as revealed by the chief coordinator of international affairs in the Finance Ministry, Tarcisio Marciano da Rocha, will be reactivation of the group of experts that was studying a system for calculating exactly what is and what is not subsidized, to be included in the subsidies code.

Without such a system, the code has been used according to the interests of each developed country, resulting, as in the case of the United States, in abusive interpretations of damages (harm to local industry) and proliferation of surcharges.

No Sense

"It makes no sense to regulate exports of chicken in GATT and leave out sugar," complained Tarcisio Marciano da Rocha, without mentioning the United States, which proposed the measure with the clear objective of reducing the Brazilian lead in sales of chicken to the Middle East.

According to him, there would be no risk for Brazil if agricultural products were included in the GATT rules, because agriculture is subsidized and has a policy of minimum prices the world over.

## Expired Antibiotic

The chief international coordinator of the Finance Ministry thinks the GATT meeting in November will be an excellent opportunity to revise the subsidies code and the general GATT rules.

At the beginning of this year the United States virtually walked out of the group of experts that was studying the system for calculating subsidies, which if concluded would have prevented the indiscriminate use of the code for protectionist practices.

Tarcisio Marciano da Rocha emphasized that Brazil signed the code, concluded at the end of 1979, and is now one of its major victims, with surcharges imposed on many of its products in the United States and the EEC.

"Did Brazil buy an expired antibiotic when it signed the code? Was our signing it in vain?" asks the foreign-trade adviser of the international coordination chief, Admar Schievelbein.

According to Tarcisio da Rocha, GATT, created in 1948, expressly prohibits use of subsidies by developed countries and permits their use by developing nations.

"But, in fact, this does not occur--there is the example of the European sugar and the heavy carbon-steel plates produced in Great Britain, on which the United States discovered a subsidy of no less than 41 percent, much more than the incentive given the same product by the Brazilian government," he said.

The chief coordinator of international affairs for the Finance Ministry emphasized that GATT rules are so disparaged that its subsidy code is now no more than an instrument of neoprotectionism.

For all these reasons, at the meeting in November Brazil, jointly with Australia, will propose that GATT mechanisms reflect the right of developing countries to protect their industry with subsidies, as is written in the GATT code, but remains on paper.

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## BRIEFS

EGYPTIAN MILITARY EQUIPMENT PURCHASE--Brasilia (O GLOBO)--Maj Gen (Mohamed Maged el-Far), assistant to Egypt's defense minister, is negotiating in Brasilia for the purchase of Brazilian military equipment, possibly in exchange for oil, government sources reported yesterday. The Brazilian Government is treating (El-Far's) visit with much circumspection in keeping with its policy not to make any comments on the purchase or sales of arms. (El-Far) arrived in Brazil less than 1 month after the trip Paulo Tarso Flecha de Lima, the chief of Itamaraty's commercial promotion department, made to Egypt. Last year, Brazilian exports to Egypt reached approximately \$200 million and this year that country has already expressed an interest in buying Brazilian food and equipment. To equalize the balance of trade, Brazil may buy oil from the oilfields returned to Egypt by Israel. Egypt asked Embraer [Brazilian Aeronautics Company] to start talks in January to arrange for a license to build the advanced training "T-27 Tucano" plane, whose first unit will be flying by the end of the year. An assistant to the Aeronautics Ministry yesterday announced the Egyptian interest in the plane. [Text] [PY151529 Rio de Janeiro O GLOBO in Portuguese 14 Oct 82 p 22]

FOREIGN MINISTER FETES HAITI'S ESTIME--Brasilia, 14 Oct (AFP)--Brazilian Foreign Minister Ramiro Saraiva Guerreiro stated today in Brasilia that his country opposes the internationalization of the crisis which has been affecting the Central American and Caribbean area. Speaking during a dinner he gave for his Haitian counterpart Jean Robert Estime, who arrived tonight in Brasilia on a 48-hour official visit, Saraiva said Brazil believed those countries should solve their own problems without foreign intervention. He said Brazil hoped those solutions will be peaceful, democratic and pluralist and emphasized that his country will support every move to increase and to consolidate cooperation among Latin American countries. Finally, Saraiva said the Brazilian Government believed it necessary to strengthen its relations with the Caribbean countries. [Text] [PY151312 Paris AFP in Spanish 0454 GMT 15 Oct 82]

STUDENTS UNION PRESIDENT--Sao Paulo, 5 Oct--Clara Araujo will be the first woman president of the National Students Union (UNE). She was elected at the latest UNE Congress held in Piracicaba, Sao Paulo State. The UNE, which is 45 years old, was banned by the military government in 1964 but is now being tolerated by the federal government. [PY081813 Paris AFP in Spanish 2141 GMT 5 Oct 82]

INFLATION RATE FOR SEPTEMBER--According to the Getulio Vargas Foundation, the inflation rate for the month of September amounted to 3.7 percent. [Brasilia Domestic Service in Portuguese 2200 GMT 7 Oct 82 PY]

## 'ANDI' BACKS GOVERNMENT ECONOMIC PROGRAM

Bogota EL TIEMPO in Spanish 10 Sept 82 p 8-A

[Article by Carlos O. Uribe]

[Text] Manizales, 9 Sep--ANDI stated here that it shares and supports the government's economic proposals because with them the productive sector will leave behind "its role as Cinderella in the country's process of development."

In his installation speech at the 37th Annual Assembly of the National Industrialists Association [ANDI], Dario Morena Restrepo, chairman of the national board of directors, said that it is high time that the productive sectors once again become the target of economic policy, this being a fundamental strategy in achieving harmonious development.

Mr Morena Restrepo stated that the groundwork is being laid for a true policy of industrialization and employment, an economic platform that is based on the assumption that development is a common enterprise to be shared in concert by both the state and the productive sectors and which both are responsible for fulfilling."

The director of the association maintained that because of the monetarist policies that were in effect in the country, the productive sectors were put in a position of economic vassallage "to financial and commercial activity, when these services traditionally were subordinate to the productive sector."

With regard to the conference convened by the previous government, Mr Dario Moreno stated that even if the agreements for the changes that the country was awaiting were not arrived at in the commissions, they were successful in that they acted as channels to show the non-conformity of "a vast segment of public opinion and the palliatives presented to the economic sectors, who fortunately agreed to implement structural modifications in the conception of economic policy, in the organization and availability of vital public services, in antiquated labor legislation, in the organizational function of the state, and in the state's role as the dispenser of development."

## A Climate of Change

In the most important remarks of his talk, Mr Dario Moreno Restrepo said: "By virtue of the monetarist policies, for the first time in the country, the productive sectors were put in economic vassallage to financial and commercial activity, when traditionally, these services were subordinate to the productive sector.

"The risk factor inherent in the industrial process was then shoved aside in favor of a feverish attitude of speculation that promoted idleness, increased the cost of money, encouraged tax evasion, and made domestic production drop to intolerable levels because it could not deal with the unfair competition of foreign products dumped on our market and under the protection of subsidies granted by their governments.

"We are fortunately living in a time of change and of renewed hope in change, which is why the new government, when it took the reins of power, offered to exchange the purely political emphasis in state management for the noble principle of public service, because it made the commitment to moralize the administration of the state. The first steps have already been taken to once again make it possible for the people to trust the government.

"Without a doubt, the groundwork is being laid for a true policy of industrialization and employment, an economic platform that is based on the assumption that development is a common enterprise to be shared in concert by both the state and the productive sectors and which both are responsible for fulfilling.

"We share and support the economic plan outlined by the new government and we feel that the private sector is obligated to contribute to the attaining of its objectives by giving capital the social objective of generating new sources of employment and seeking an increase in the gross domestic product.

"It is not a question of returning to the ideal of self-sufficiency, but rather one of promoting those activities having comparative advantages."

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CSO: 3010/2329

## 'ANDI' EXPRESSES CONCERN OVER NATION'S TRADE PARTNERS

Bogota EL TIEMPO in Spanish 10 Sept 82 p 8-A

[Article by Jose Fernando Corredor]

[Text] Manizales, 9 Sep--The National Industrialists Association [ANDI] today made a serious request that trade relations with France, Japan, Mexico, and Brazil be redefined, at the same time that it insisted on the creation of a modern, flexible diplomacy and task force for sales abroad that would be competent, stable, and flexible.

It was with great concern that ANDI asked if we can allow those countries to derive enormous benefits from the Colombian market when they are reluctant to accept our products into their market.

"There is no reason why Colombian representatives in Brazil, Mexico, or Japan should have so many difficulties selling our goods, and worse yet, that those countries should impose restraints on our trade," ANDI said.

It pointed out that one of the most mortifying cases is that of trade with France, with whom we have a deficit of some \$45 to \$50 million. The French Government also throws up every possible barrier to good trade relations.

ANDI noted in its magazine, which went into circulation in the city today because of its annual assembly, that the most troublesome case is that of Japan, with whom we have a trade deficit of US\$455.8 million, and also that of the balance with Brazil, with whom we have a deficit of US\$134.4 million, these figures reflecting the changes since 1980.

"It is worth asking ourselves if we can condone the fact that those who are benefitting from our market can be reluctant to buy Colombian products and to allow them to enter their markets to even partially tip the balance of payments toward the black.

## Defending Our Industry

The time has come for Colombia to defend its industry and make it a condition that those signing contracts with the government or bringing products in from certain regions must give priority to and favor the purchasing of Colombian goods. If we do not tie [the purchase of] our exports to their imports, we will be hurting employment and putting industry at more and more of a disadvantage.



It is not too late for us to learn what others are doing in international trade and start doing the same thing that they are teaching us as soon as possible."

The president of ANDI, Fabio Echeverri pointed out in his letter contained within the magazine that, according to the aforementioned, "We in Colombia must make a big effort to improve our ability to sell products abroad. With the way our diplomacy is currently set up, it makes it difficult for us to effectively penetrate international markets. We all know that Colombian diplomacy is still clinging to very antiquated guidelines in which trade had very little importance. Today things are different and we had better adapt ourselves rapidly.

Another aspect in which the country needs to make a turnaround is in improving its ability to negotiate.

#### "A Dark Country"

As long as we do not possess a competent, stable, skillful, and well-supported negotiating team in international forums, Colombia will continue to be a dark, insignificant, and gray country in the international concert. Right now, we only think about coffee, and that is because we have always had the same people representing us and because we are the second largest producer in the world."

9983

CSO: 3010/2329

## BRIEFS

FARC KILLS THREE PEASANTS--Bucaramanga, 8 Sep--Three peasants were killed by FARC in the district of "El Guacamayo" to the south of this province. The victims were Pedro Canas Amado, Efrain Canas Amado, and Jose del Carmen Velandia Quiroga. The insurgents stated that the victims refused to help them out. Moreover, EL TIEMPO established that another subversive FARC redoubt is operating between the districts of La Paz and Velez. [Article by Jairo Saravia Hernandez] [Text] [Bogota EL TIEMPO in Spanish 9 Sep 82 p 2-A] 9983

CSO: 3010/2329

## BRIEFS

SALVADORANS SEEK ASYLUM--San Jose, 8 Oct (ACAN-EFE)--Five undocumented Salvadorans burst into the French Embassy's garden in San Jose yesterday afternoon to demand asylum but were unable to enter the building. The Central Americans, who had been questioned by immigration police a few hours before, when it was discovered they had entered the country illegally, were on parole while they were being given some documents. The names of the Salvadorans trying to obtain asylum at the French Embassy are: Roman Atilio Cruz, Luis Alvaro Ponet Gonzalez, Saul Ernesto Urbina Diaz, Autelia Tejada Gutierrez and Jose Antonio Rodriguez. An official of the UN High Commission for Refugees told the French ambassador that he knows the Salvadorans, but he did not certify that they are refugees. Officials of the Public Security Office and the Justice Ministry are keeping a watch on the outcome of this situation caused by the Salvadorans, who have expressed a desire to go to Panama, a desire with which the government agrees. [Text] [PA082228 Panama City ACAN in Spanish 1227 GMT 8 Oct 82]

CSO: 3248/84

## REPORTAGE ON SERVICE INDUSTRY ACTIVITIES

Havana VERDE OLIVO in Spanish 9 Sep 82 No 36, pp 36-37

[Article by Luis Lopez]

[Text] The deficiencies found in the commerce, services and hotel/restaurant chain are directly related to the considerable number of complaints which the people make to delegates [to local government organs] during the latter's report to the people and in the scheduled weekly reports.

Actually, the primary reasons for the people's complaints are bad treatment, lack of administrative exigency, poor quality of services or repairs, lack of attentions and orientations to the public, use of improper apparel and lack of hygiene.

Other problems of an objective nature affect services unfavorably. They include instability in deliveries of merchandise to the retail chain, lack of warehouses for spare parts which break down or deteriorate more frequently, surplus of parts that do not sell well, poor quality of some manufactured goods and need of repair and conditioning of certain equipment.

As a result of the calls of our commander in chief to improve the quality of services in general, the people's government and the services trade union in Santiago de Cuba Province undertook an in-depth study to respond to this problem which affects the people so much and often creates frustration and discontent.

#### Overnight

Quite contrary to the idea that a solution to the chain of objective and subjective problems is a long way off and there is no immediate one, there emerged in the municipalities of Santiago de Cuba and Palma Soriano the Model Units Movement, an experience that has had quite positive results despite the short time since its implementation.

This movement is based on an analysis of the fulfillment of a number of economic standards as well as on the free and democratic opinion of the people. For a retail center to be declared a model one, it is required to fulfill its technical-economic plan, maintain correct stock control of products in



warehouses and on sale, maintain hygiene of the workplace and personnel and watch over the bearing of its workers, correct treatment of and attention to the public, or, what is the same thing, that there be no customer complaints.

However, these requirements are not enough. A recommendation of model unit must be evaluated by the delegate for the district where it is made. He is responsible for obtaining the opinions of the electorate and CDR [Committees for the Defense of the Revolution]. The mass communications media play their role by informing the people of the recommendation of the center for model unit and in this way receive positive and negative opinions.

For its part, the people's government and trade unions, in cooperation with the enterprises, make a final evaluation of all the factors involved and submit the list of centers that are eligible for the distinction. It is later determined at a meeting of various provincial organizations and agencies if they actually can receive the distinction.

The principle of quality over quantity has prevailed thus far in the work with this movement. It is for this reason that in a municipality such as Palma Soriano only 12 units have earned the distinction and 13 others are in the recommendation process. The fact is that a single deficiency is enough to drop a unit from the recommended ones.

One of the good things about this analysis is that there are absolutely no bureaucracy and formalities involved and it is a dynamic analysis because of its scope and methods used. A shop, restaurant or grocery store can earn the distinction of model unit, but it loses it as soon as deficiencies are detected and it must again submit itself to the analysis.

#### Where Consciousness Prevails

To belong to the Model Units Movement does not mean extra pay over established wages. It could very well be called an expression of the consciousness of the workers, of their complete awareness of their duties and of the significance of the work they perform.

This raises the question of how to earn the distinction, keeping in mind that recently the selection of personnel has not been the best, particularly in hotels and restaurants.

Those units which, without the existence of the movement, did good economic work and offered the best treatment, appearance and quality in their work were selected during the initial phase of the movement. But these few were precisely the ones that compelled or provided the motivation for the others to try to earn that moral recognition. For its part, the public did the rest: it went where treatment was pleasant, to obtain what it needed or at least leave pleased and satisfied. And it should be noted that the product offered is the same anywhere else.

Is it not pleasant to find a store with decorated window displays, and to enter and see proper organization, order and hygiene, where workers immediately help you courteously and try to see that you leave pleased and content for having been there?

We will cite an example. We visited a restaurant and were immediately amazed to see that the employee, Ada Alberterez, was using the steam produced by the restaurant to clean the cups she would use to serve the customers. Neither water nor a smile was lacking. Perhaps this was why the coffee we drank during our various visits there tasted much better.

This party explains why model units fulfill their economic plans while others do not, although offering the same type of goods. Sales work, good treatment and attentions undoubtedly have the desired positive effects.

At a national service meeting, we recalled a broad debate concerning various difficulties that come up in hairdressing and barber shops, primarily for the lack of products such as dyes, creams and decolorants.

Such difficulties have existed at the "La Belleza" hairdressing shop. However, the effort of the management and of the enterprise made it possible to exchange products with other provinces. In this way, the shop solved the needs of customers and fulfilled the plan accumulated up to July by 122 per cent.

The initiative of workers and management has satisfied the needs of the people in other specialties. Such is the case of the repair of "Picker" stoves. The workers are recovering used parts and management is constantly discussing with suppliers the requirements for this important service. This is why repair time has not increased and returns for deficient repair have dropped in comparison with expected figures and with last year's actual figures.

There is a factor that must not be overlooked within the changes produced by this Model Units Movement. It is precisely the treatment which the public gives the workers, for there has been a positive change in the public that is encouraging to the worker himself who thereby feels gratified.

#### To Maintain Quality

Perhaps the most difficult thing now is to maintain the level that has been reached. Weekly meetings are being held to this end. The progress of this work is examined at these meetings. The results of the quarterly inspections made by the people's government and pertinent trade union also are evaluated at these meetings. However, the best control undoubtedly is the one performed daily by the people.

These achievements have not come overnight. Constant and systematic work and the properly used and educational moral incentives were the resources employed. Everything has not been resolved. Problems still exist, such as deficient delivery of products from the supplier to the retail chain, which in

July amounted to more than 1.5 million pesos, as well as other obstacles resulting from the country's current economic situation.

Obviously, the success gained with services by this vanguard movement is encouraging and it shows once again the possibilities that exist to improve quality in this important sector.

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## INITIATION OF NEW MILITARY TRAINING YEAR NOTED

Havana VERDE OLIVO in Spanish 9 Sep 82 No 36, pp 12-13

[Article by Mario Rodriguez, Orestes Carballo and Jose Luis Blanco]

[Text] Ceremonies marking the beginning of the new 1982-83 training year are being held with great joy and enthusiasm at the various FAR commands.

The firm determination of commanders, officers and combatants to have a superior year in the operational, combat and political training of the units in fulfillment of first and second party congress resolutions and to guarantee, even more, the defense of the socialist homeland, has been confirmed once again at these important ceremonies.

In DAAFAR

A western region unit of the DAAFAR [Antiaircraft Defense and Revolutionary Air Force] was the site of such a ceremony for this type of armed force. It was chaired by Div Gen Ulises Rosales del Toro, member of the Central Committee and first deputy to the FAR minister and chief of the general staff.

The military parade that started the ceremony was magnificent. The message of the chief of DAAFAR troops was then heard. His message not only highlights the achievements reached during the previous training period. It also notes the need to constantly raise combat and mobilization readiness, strengthen the political-ideological education of the troops and the authority of commanders based on personal example and develop high quality multifarious training of personnel.

Col Ricardo Diaz Gonzalez, first deputy of DAAFAR troops, made the closing remarks. He said "the new training year undoubtedly will be a tense one, given the international politico-military situation which is characterized by the growing aggressive policy of the Yankee administration." He called for "constantly raising combat and mobilization readiness, primarily in the units that provide combat alert, and raising the influence and role of commanders and general staffs, political organizations, organizations of the party and UJC [Union of Young Communists]..."

Once the ceremony ended, Div Gen Ulises Rosales del Toro was accompanied by a large group of commanders and officers on a comprehensive tour of the unit's installations. He observed the existing material study base and the skill attained by the personnel in handling the modern and complex combat equipment.

#### Central Army

"The teaching-educational process that we must develop will be successful if we can implement the complex training system which, given the conditions of contemporary combat and achievements of the scientific-technological revolution, gives the single alternative of having to take action scientifically and in keeping with the Leninist work style."

This was stated by Div Gen Pedro Garcia Pelaez, commander of the Central Army and member of the Party Central Committee, at the ceremony marking the start of the training year in that command. The ceremony was chaired by Div Gen Sixto Batista Santana, alternate member of the Politburo and chief of the FAR Central Political Directorate.

The participating troops demonstrated military bearing and combat skill at this ceremony held on the parade grounds of a motorized infantry unit. Brig Gen Carlos Carballo Betancourt was the troops reviewing officer. He greeted the troops for himself and in behalf of the chief of the Central Army, the first secretary of the Matanzas provincial party committee and the president of the People's Government Provincial Assembly.

Elsewhere in his remarks, Division General Garcia Pelaez urged raising effectiveness in the combat training and readiness of the troops, strengthening military discipline conscientiously, increasingly improving political education and developing solid patriotic and internationalist convictions in all the personnel so as to prepare them not only for armed combat but also for counteracting the diversionist campaigns of the enemy.

Lastly, he said he is confident that all combatants of this command "will be equal to the combat history of the fatherland and to the trust that the party, government and our commander in chief have placed in the FAR."

#### In Western Army

The Western Army held its ceremony on the esplanade of the general staff. The ceremony was chaired by Div Gen Senen Casas Regueiro, alternate member of the Party Politburo and first deputy to the FAR minister. Div Gen Jaquin Quintas Solas, chief of this army and member of the Party Central Committee, emphasized the importance of field training and implementation of socialist emulation for the purpose of reaching the aims set for the current training year.

Luis Alvarez de la Nuez, member of the Party Central Committee and its first secretary in Havana Province, also attended the ceremony.



A group of officers received the 20th UJC anniversary award. Awards also were presented to the most outstanding in the past training year.

For his part, Division General Quintas Solas also referred to certain primary tasks at which the greatest efforts should be aimed. These tasks include improving the quality of instruction in all the subjects taught and continuing to raise the politico-moral and disciplinary status of the combatants.

A military parade involving units of the Western Army and Territorial Militia Troops closed this inaugural activity.

Similar ceremonies of deep political and ideological content also have been held in the Eastern Army and other FAR units, where the collective willingness to complete the 1982-83 training year successfully was reaffirmed.

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CSO: 3248/14

## MILITARY TRANSPORTATION SHOP AWARDED NATIONAL HONOR

Havana VERDE OLIVO in Spanish 2 Sep 82 No 35, p 55

[Article by Hilario Pino]

[Text] By resolution of the Council of State, the workers of the transportation shop of the Military Industrial Enterprise of Construction Support Services (EMIAC) have received the distinction of National Vanguard Collective in recognition of the enormous efforts made by the military and civilian personnel in 1981.

They also received the 10th WFTU Congress flag, which is awarded to labor organizations that perform highly outstanding work.

Both awards were presented recently at a solemn ceremony held at the EMIAC social, political and cultural club and chaired by Maj Adelquis Alabar Freyre of the political section of the Troops Construction and Housing (CAT) [Directorate]. Others present included Hector Suarez Lopez, secretary general of the sectorial committee; and Luis Mayet Solis, deputy to the People's Government National Assembly and secretary general of the EMIAC trade union bureau. Maj Francisco Lopez Marrero made the closing remarks.

The Council of State resolution states that this workplace has earned the distinction of National Vanguard because its workers overfulfilled the production plan by 171 percent and productivity by 161 percent, and completed the earnings plan by 104 percent. Likewise, they saved 987,605 pesos, thereby attaining a ~~180~~-percent overfulfillment of the plan. The cost of wages per peso of production was cut from a planned 0.82 to a real 0.65 and they only had 1-percent absenteeism. There were no violations of labor discipline and no serious labor accidents in 2 years.

The workplace has maintained the distinction of "Moncadista" since 1968 and has received all the prizes awarded by the CTC [Central Organization of Cuban Trade Unions]. It has received several congratulations from the FAR minister, and it was recently selected as "promoter of Socialist Emulation," which the workers dedicated to the fourth congress of the UJC [Union of Young Communists].

The ceremony started after "attention all" was played. Workers of the transportation shop and other EMIAC agencies attended the ceremony. Among these workers, there are several internationalist builders who have been awarded the Armando Mestre Order and 44 who have received the 20th FAR anniversary commemorative medal.

## TRAINING ACTIVITIES OF FAR FROGMEN DESCRIBED

Havana VERDE OLIVO in Spanish 2 Sep 82 No 35, pp 54-55

[Article by Gilberto Guerra]

[Text] The young combatant Carlos Moreno, covered by his diving gear, went into the foaming water which breaks its movement on the coast. He carries in his hands an explosive charge that will blow the presumed "enemy" into pieces. He signals with his right hand, submerges and then reappears 20 meters farther away. The rest of his comrades watch from the reef and impatiently count the time.

He submerges again. After a while, the "snorkel" can be seen spurting water. Carlos now swims slowly toward the coast. He comes out of the water and joins the group. There are no comments. The strong explosion raises a gigantic water spout 20-meters high which then falls in small drops. The mission is completed and with it ended another class on special explosions.

## Lieutenant Torne

The saying of "appearances are deceiving" holds quite true with Lt Andres Torne Sanchez, chief of the small unit and diving instructor. At first sight, he seems to be not too communicative and a man of few words. However, he is entirely the opposite in class. He exhaustively and repeatedly explains each of the subjects of study and gets his subordinates directly involved in the subject. Let them touch, work with and see with their own eyes the combat equipment and learn to handle them. That is his basic philosophy.

"In our specialty," he says during one of the breaks, "there can be no doubts. Doubt means a mistake and this inevitably leads to unfulfillment of the mission and to regrettable accidents. Just the idea of handling explosives always gives a feeling of fear to a beginner. That is why during classes I watch to see who is the most susceptible and I select him to help me demonstrate the various equipment, and particularly to hold in his hands the dynamite charges."

Everyone watches Lieutenant Torne when he explains explosion methods: how to work with the detonating cable and the slow fuse, with the detonators and with the other combat equipment...

One thing is clear: the work must be done without fear but cautiously. Risk is always present in this men's specialty, even when they do not carry explosives. But they know that it is the only way to perform their mission, and that is why they accept the risk and live quietly with it.

#### A Man Behind Enemy Line

Underwater explorers perform complex and difficult missions. "Frogmen" are always respected in any theater of military operations. Although the water is their vital means, they can also work on land, giving the enemy more than one surprise.

Hard training, a lot of learning and much determination are involved. The underwater explorer must know how to do everything and be aware that he is going to face superior forces under adverse conditions.

The skin, strongly punished by the sun, of Armando Penalver, Luis Mejias, Jorge Maceo and Carlos Moreno shows the many kilometers they have had to swim since they started the training. They go out to sea in their rubber boats every day and there, when an irregular outline is the only thing seen from the coast, the order "men in the water" tells them that the exercise has started.

Theoretical classes follow. Knowing how to swim is not enough. Much more is required: knowing tactics, their own weapons and of the enemy, the combat equipment of the enemy and many other things, in addition to all the secrets of the sea.

Just one of our men behind the enemy's line can do incalculable and irreparable damage. The history of the great war for the fatherland confirms this, and also the bold attacks of Vietnamese commandos deep in U.S. lines.

A recent case which could have had regrettable consequences had it not been for the rapid action of the explorers testifies to their capabilities and to the skill and boldness they have learned in combat training.

The sea was quite choppy. The Institute of Meteorology had announced a depression in the Gulf of Mexico. Two makeshift fishermen went out in a not too trustworthy boat. When only 100 meters from the coast, they felt a strong current taking them swiftly out to sea.

Fortuitiously, a group of explorers was nearby and saw the danger. Quickly, a rubber boat was made ready and, in a hard struggle against the wind and raging waves, the fishermen were saved.

#### Ready to Perform Any Mission

But let us return to the explosions class. Soldier Armando Penalver and his comrade Jorge Maceo were assigned the mission of preparing an explosive charge and exploding it electrically. Lieutenant Torne is with them observing and correcting.

With determination and without doubt, they check the conditions of the wires and detonator, then the working conditions of the exploder. Lastly, with the charge ready and having taken cover, they hooked up the circuit and with a slight pressure on the blasting knob came the explosion which was felt from one end of the coast to the other.

Thereafter, more explorers completed the various exercises and all of them did it without a flaw, just as if they had handled explosives all their lives.

Soldier Armando Penalver now speaks of the special instruction they have received in the training:

"The training is hard, but we are ready to perform any mission, day or night or in adverse weather conditions.

"We are not bothered by problems, and if one does come up, we find the way to solve it. Nothing is impossible for an underwater explorer. Wherever a cat can go, we can go too and, in any case, we can go where a cat cannot."

That is the way the combatants of this underwater exploration group are, although they usually are simple, happy and communicative. They--who live with risk in silence--love peace and for this reason train themselves tenaciously to prevent being abused by the enemy.

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CSO: 3248/9



## FAR CANDIDATES TO MEDICAL DETACHMENT COMPLETE STUDIES

Havana VERDE OLIVO in Spanish 2 Sep 82 No 35, pp 9-11

[Article by Roberto Morejon]

[Text] Graduation time has arrived. The young FAR candidates to the Carlos J. Finlay Medical Sciences Detachment already have returned home after having completed the preparatory course for entry in the university.

For 5 months and 2 days their lives had revolved around study, creation of new habits to cope with the subjects of study and elimination of certain learning deficiencies because they had not had the opportunity to participate in the improvement plan of the National Education System.

The students were euphoric on graduation day. It is true that not all of them could register for medical sciences, but they were aware of it since the course started because they knew that there was a limited number of vacancies (200).

However, they are glad because most have had the opportunity to go into engineering fields and other specialties according to their personal desires and needs of the country for its economic development.

The final examinations were difficult. Some had trouble with physics and others with chemistry. In general, however, the results are satisfactory and in accordance with the optimistic estimates of Education Ministry experts.

The Carlos J. Finlay Medical Sciences Detachment will have 215 students, including 15 who will study dentistry. The remainder, 172, will study for degrees and various engineering specialties.

It is noteworthy that of the 215 mentioned earlier, 109 belong to the UJC [Union of Young Communists] and 14 have completed internationalist missions. This is why this vanguard organization has shown a great sense of responsibility, discipline and collective spirit over the past 5 months while the students developed their learning.

The course just concluded was characterized by its multifarious preparation offered the students with the addition of cultural, sports and recreational

activities to the educational ones. In keeping with the desire to strengthen vocational aptitudes, many hours were devoted to political activities and classes, visits to hospitals and lectures by Public Health Ministry personnel.

Among the aspects emphasized in the classroom, we can mention the work of instructors to reduce as much as possible the educational difference among the students resulting from their diverse background, and the insistence on improving spelling, reading and mathematical reasoning.

The role played by emulation stands out in the recapitulation of the course. An interesting emulation movement was implemented for the award of medals presented by the school, the Republica de Panama IPUEC [Preuniversity Farming and Academic Institute]. Thus, in addition to other awards, 92 comrades won gold medals, 96 won silver medals and 173 won bronze medals.

Of course, party and UJC organizations in the school played a prominent role in all the operational details of this course; while the MINFAR [Revolutionary Armed Forces Ministry], Education and Higher Education Ministries, UJC National Committee and political and administrative organizations in Guines provided effective support services. All of them were filled with the interest demonstrated by our Commander in Chief Fidel Castro who kept himself abreast of details.

The best 11 students, the school director and outstanding workers received awards in behalf of Fidel. All the students (in this case the 215 selectees) received the Carlos J. Finlay Detachment textbooks and uniform.

Several of the comrades who had been vanguards at the three evaluation periods, also won this distinction at the close of the preparatory course. The top 11 students were: Alejandro Perez, Luis Pacheco, Nelson Anzordo, Abel Abstengo, Edilberto Cecilio Nodal, Jose O. Alvarez, Hubert Garcia, Alberto Garriga, Orestes Cera, Jose M. Hechavarria and Pedro J. Alvarez. They received the best of prizes: the recognition from all who attended the graduation ceremony.

The commander in chief had said on 12 March last at the Karl Marx theater: "Now, they will have their places in the detachment depending on how they work, study, pay attention in class and stand out."

The top 11 students and the other comrades responded to that exhortation and now they are in their respective provinces formalizing their registration in centers of higher learning.

The objectives set for the course were fulfilled thanks to the will and discipline of the students and to the attitude of instructors and other personnel. A powerful vanguard will be going to the country's universities now that they have received the proper military, disciplinary and formative training of the FAR and the indispensable education to cope with the higher level of national education. The plan outlined by Fidel comes to a happy conclusion. The fruit of victory can be tested now with healthy pride.

The next phase is ahead: to begin in September the second course of this type with those soldiers, sergeants and sailors who have joined the next preparatory course for SMA [active military service] servicemen who have applied under FAR Ministry order 20 after they maintained during their entire FAR service an attitude of discipline consistent with the values of the revolution.

Already there is talk that this course will last a year and that mathematics will be added to the existing subjects of physics, chemistry and spanish. Education Ministry experts are studying the results obtained at the Republica de Panama IPUEC and we are certain that even a more suitable program designed to meet the needs of the students will be implemented in September.

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CSO: 3248/9

## ROLE, PURPOSE OF COMMANDERS IN FAR DISCUSSED

Havana VERDE OLIVO in Spanish No 37, 16 Sep 82 pp 28-31

[Article by Mario Rodriguez: "Structure of Commander's Activity"; passages enclosed in slantlines printed in boldface]

[Text] The activity of the commander is aimed at the organization of the life and conduct of his subordinates in peacetime as well as wartime, the solution of all those matters related to combat and mobilizational readiness, material support and the education and military discipline of the personnel.

Leadership in the armed forces, given the conditions under which it is carried out and its proper designation, is quite varied not only in content but also in structure. It is closely related to cognitive and emotional processes, motivations that stimulate it, volitive processes and, lastly, the experience of the commanders.

The entire gamut of social and psychological phenomena in the commander's activity is tied to different objectives, motivations, methods and procedures.

/The objectives/ that the commander's activity pursues can be summarized as the achievement of increased combat readiness of the small or larger unit, maximum exploitation of all the material and human resources, fulfillment of the combat and political training plans and the missions implied in the instruction and education of subordinates and the strictest control over their service.

To achieve these objectives, it is necessary to look at the available means and the concrete situation as well as determine and carry out a series of partial (intermediate) objectives--in other words, carry out an entire set of concrete tasks.

In all classes and maneuvers in the field, the commander fulfills different missions that contribute to the multilateral training of the personnel to perform combat actions.

He is the man responsible to the Communist Party of Cuba and the revolutionary government for the permanent combat and mobilizational readiness of the small or larger unit that he has been assigned, for combat and political training, education, military discipline and the political and moral state of his personnel.

The commander must supervise the condition of combat equipment, direct material, medical and combat support, combat and political training, the socialist emulation, efficiency and innovation and establish and maintain iron discipline.

/Motivations/ are merely the internal forces that stimulate the commander in his activity to achieve the proposed objectives.

These motivations can be the convictions, concepts, feelings, interests, desires and inclinations that sustain the activity of every military leader. The motivational components in the officer's activity express his attitude toward fulfillment of his service obligations.

Of course, it must be pointed out that similar external conduct of different officers can have different motivations.

There might be the situation where one officer is guided by narrow, strictly personal motivations (certain advantages, personal success, satisfaction of individual desires, etc.) while, in another officer, social motivations predominate--the feeling of duty, the desire to help the collective, interest in acquiring the necessary knowledge, etc. The meaning of the actions undertaken to achieve a certain objective depends on the motivations.

We must emphasize that, in every case, the greatest successes are achieved by those military leaders whose activity is impregnated with ideological and moral motivations, a profound sense of responsibility to the security of the fatherland and love for the military profession.

"It is necessary to use every recourse and be attentive to every factor in the interest of our basic activity: combat and political training--that is, our training for war, our *raison d'etre*." The minister of the FAR, Army Gen Raul Castro, used these terms at the closing of the Fourth Evaluation Assembly of the party in the Central Army. Then he indicated:

"We must dedicate ourselves to this with true revolutionary passion. That is imposed on us by a basic duty to the revolution and the people."

Starting from the fact that the motivations that govern the commander's activity can be varied--that is, social, personal, service, etc.--they all fit well into three groups:

1. Motivations determined by the peculiarities of his personality, his political, moral and aesthetic needs and ideals and his attitude toward being an officer and toward his commanders and subordinates;
2. Motivations that stem from the nature of the situation and its complexity and dynamism like, for example, awareness of the need for actions filled with initiative, determination and boldness; and
3. Motivations rising from the direct demands of his commanders for fulfillment of a certain mission.



The methods and procedures determined by his entire system of knowledge, habits and abilities as well as his professional qualities are very important structural components of the commander's activity.

The selection of methods and procedures depends on the existing situation, the means available for the activity and, of course, the qualities and experience of the subordinates.

The commanders must channel the forces and conduct of the personnel toward the precise fulfillment of the missions imposed by military service and guarantee the unity of the collective and the appropriate moral and psychological atmosphere.

The most important methods and procedures in the commander's activity include the following: presentation and explanation of the missions, planning, selection and placement of personnel, demand and orders, evaluation of the progress of the work, stimulus, the introduction of changes in the rate and development of individual and collective activity and systematic supervision and assistance.

During a recent visit to a tank unit in the western region, we had the opportunity to be persuaded once more of the success that any officer achieves when he is concerned about the content of his activity as the man responsible for the leadership, education and instruction of his unit.

We had the occasion to exchange opinions with 2nd Lt William Hernandez Hernandez, commander of a small tank unit.

The young officer explained to us how the results achieved in the combat and political training of his small unit are basically due to correct planning of his activity as the leader of the collective.

He told us: "In each stage of the instruction process, it is very important to clearly define the objectives pursued and then, with complete awareness of this, direct all efforts toward their achievement.

"It is not merely a formal act to develop a class, for example. It is necessary to consult the materials, think about the methodology and the sequence in which the subject will be explained. All this must affect not only the training of the subordinates but also our training."

The mobilizational and educational influence on intelligence, emotions, will and motivations for the conduct of the personnel plays a basic role in leadership. There are also considerations about individual and sociopsychological idiosyncrasies, levels of training, mutual relations, opinions and states of mind. These are, in general, the structural components of the commander's activity.

The officer's leadership work (like any other) has a certain sequence and stages. It begins with the presentation of the objective based on needs and motivations (or the awareness of the importance of the mission presented). Later come elaboration of the plan to undertake the necessary actions. The

final stage is realization of the actions which put into play the different means and procedures for the activity and verify its development, compare the partial results with the outlined objective and introduce the necessary corrections.

Each stage in the commander's activity is like a step toward the proposed end. If we analyzed the work of any commander, it would not be hard to perceive that after proceeding to the fulfillment of a mission, independent of its nature, he will execute different actions (operations) consecutively that are closely tied to each other.

The information obtained about compliance with the decision made offers the opportunity to promptly consider all those factors that can affect the success of the mission, introduce the necessary corrections in leadership activity and take pertinent complementary measures.

The commander's activity in the midst of a combat situation unquestionably has idiosyncrasies. When the officer receives the mission from his superior, he--like his subordinates--tries to assimilate and memorize every detail presented.

From this moment, his thoughts, will, knowledge and experience will go into action. An entire gamut of conflicting ideas and emotions will arise in him. In short, from then on, the demands presented by the superior will be transformed into the motivations and objectives that guide his activity.

After receiving the combat mission, the commander immediately proceeds to study it, evaluate the situation and make the decision, report to the subordinates, organize the different types of support and cooperation and carry out and verify the preparation of the unit for combat.

The cognitive, emotional and volitive processes as well as the more prominent qualities in his personality and combat mastery are revealed in this activity.

During the preparatory stage for fulfillment of the mission, the commander must plan the actions of his small or larger unit and each individual subordinate. This requires broad military, technical and psychological knowledge as well as complete understanding and analysis of the concrete situation.

The correctness of the prognosis about the activity to be developed depends on the development of the intellectual abilities and qualities of the commander and the completeness and preciseness of his plans.

When studying the mission received and evaluating the situation, the commander makes and carries out the decision while he plans the development of the actions based on changes in the existing conditions for fulfillment of the mission.

As is known, when it was proposed to Lenin to quickly initiate the offensive against Wrangel's troops without sufficient preparation, he answered:

"This is utopian. Perhaps it will not require too many victims? Let us look at the ability of our soldiers. It is necessary to think and calculate 10 times."

Elaboration of the decision and the predictions of the commander are not merely a reproduction of the knowledge and experience acquired earlier but the result of their objective evolution in correspondence with the situation.

An in-depth analysis of the combat situation, the exclusion of spontaneous reasoning and the creative ability itself of the military leader are based on his knowledge of tactics, combat equipment and the laws that govern armed struggle.

The predictions of the chief depend to a great extent on his ability to use dialectical analysis. The multilateral study and analysis of the ties and relationships in his activity, the prompt detection of contradictions and tendencies in the development of the combat situation and the calculation of their influence on the minds and conduct of his subordinates help him place himself in the midst of the most complex situation and make the best decision.

During the summary of the 20th Anniversary of the FAR maneuver, our commander in chief, Fidel Castro, stated:

"That is why a soldier and especially the officers must prepare themselves incessantly, study practically all their lives, develop their knowledge, reflect on these matters, imagine all the possible situations that can occur and feel capable of confronting them."

In this way, the commander's activity--which is very specific in content and structure--is characterized by a great variety of very important social, political, psychological, pedagogical and military missions.

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## ACTIVITIES OF 1981-82 FAR VANGUARD NOTED

Havana VERDE OLIVO in Spanish No 35, 2 Sep 82 pp 4-8

[Article by Jorge Luis Blanco]

[Text] Vanguard is a word filled with significance for these men and women who now proudly wear on their chests the award that acknowledges them. They are the most distinguished warrant officers, sergeants, cadets, midshipmen, soldiers, seamen and Camilitos of our FAR during the 1981-82 Year of Instruction.

They are, in reality, the work heroes in the defense of the socialist fatherland, those who give their best every day of combat and political training, at every training or maneuver, in every class. They are those who make the emulation a true lever in daily work, those who set an example in sacrifice, effort and persistence in achieving superior goals.

At the solemn ceremony to present the FAR vanguard awards, Div Gen Ulises Rosales del Toro, member of the Central Committee of the party, first alternate to the minister of the FAR and chief of general staff, said: "We trust in you, the avant-garde of our young soldiers and students, in whom we see the best relief and the most beautiful fruit of the revolution."

On that sunny day at the Granma Memorial, they received the award as a collective award because individual success also means the success of all.

They know that vanguard is a position that they must maintain from now on. They know that there are new work days that will perhaps demand greater sacrifices.

Therefore, at this time, the artillerymen speak of improving the mastery of their armaments, the marines speak of improving their tactical and firing training, the tank drivers speak of increasing combat unity and the cadets, midshipmen, Camilitos and everyone speak of being better in their respective tasks.

It was difficult to achieve the position of vanguard, according to all those who succeeded. Think, then, of those who have earned this award for 2 or 3 consecutive years.

It was not even remotely easy for Maria Teresa Cruz Perez, a student at the Camilo Cienfuegos Military Vocational School, to obtain grades of more than 99 points for 3 consecutive school years.

It was not easy for the many others who, year after year, have achieved marks of 5 points in all aspects of combat and political training. It was not easy for those, like the comrades in the Youth Labor Army, who--with handles in their hands--have maintained a rate of more than 100,000 arrobas of cane cut in several sugar harvests.

We cannot forget those far from the fatherland who, in fulfillment of internationalist missions, have fought selflessly time and again to earn the award of vanguard because that is one way to be more useful to the causes of those fraternal peoples.

Dozens of pages could be written about the FAR vanguards, collecting the history of work accomplished with sweat and revolutionary awareness.

How many things would WO Ana Rosa Leyva have to tell? After only 1 year in the FAR, she--a soldier, mother and wife--already wears the vanguard award on her chest.

How about soldier Julio Paz Gonzalez, a youth born with the revolution, who said that he will remain in his small unit of the Eastern Army as long as the revolution feels it is necessary?

What about the twins, Odalys and Midalys, who established a unique special emulation between themselves to be part of the week of homage to the FAR vanguards each year?

Of course, all these youths have joy on their faces today. However, they are not the only ones who feel emotion and pride in having won the vanguard award. All the people join in the just homage to those who stand as the genuine avant-garde of our military institution.

They will never forget the congratulations from their working brothers at the Amistad Cubano-Sovietica Vehicle Repair Plant, the loud applause of the CDR [Committees for the Defense of the Revolution] members in an important district of Havana City or the flowers from the hands of the new generation, the children at the Jose Marti Pioneer Camp, who expressed to them their determination to be like them, vanguards in everything.

This--the contact with their people--was perhaps the best incentive for these men and women who once more uphold the commitment to do everything better than yesterday and to do it better tomorrow than today.

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## FAR EQUIPMENT, WEAPONS ORGANIZATION DISCUSSED

Havana VERDE OLIVO in Spanish No 37, 16 Sep 82 pp 36-39

[Article by Lt Col Armando Martinez Alvarez: "Methods, Work Style of Cadre Organs"; passages enclosed in slantlines printed in boldface]

[Text] Due to vast changes in equipment and armaments, the organization of the FAR and methods of armed struggle, the role and importance of military cadres are increasing rapidly. It suffices to point out that, at the beginning of the present century, there were only a few dozen military specialties. They now surpass the astronomical figure of 1,000 and the trend is toward continued growth.

From these simple examples, it can be deduced that work with the military cadres has greater scope and complexity each day and the success of this work will depend to a great extent on the methods and work style of the cadre organs.

We frequently hear officers state that they would not like to work with cadres since red tape and bureaucracy prevail in these organs.

These statements are incorrect since the administrative aspect is not the focus of our attention. However, they make those who are involved in this activity reflect and critically analyze. We believe that, for many reasons, much time is invested now in administrative work, neglecting the essence itself of our duty: work with the man right where he performs his activities of combat and political training and maneuvers and concern for his living and working conditions, etc. Only in this way, by knowing the political and labor characteristics of each officer in depth, can we correctly fulfill our obligations.

The work style consists of a set of characteristic features in the activity of any person or state organ which is reflected in the method of receiving and focusing on problems for theoretical and practical solution.

Based on this definition, we can point out that the main features of the methods and work style of the cadre organs are as follows:

/Party work/: This means that, in our activities, we must always start from party positions and carry out its decisions, directives and resolutions concerning the selection, placement, promotion and education of cadres.

A concrete example of this is the party's requirement that cadres must not be evaluated by one person but by committees in order to avoid injustice, superficiality and subjectiveness.

Also "promotions are preferably made from the lower levels to the upper levels. The cadres of the central organs regularly come from the intermediate levels and these come from the base. The cadres who graduate from the study centers should not be placed directly in the central organs without first having gone through the practical experience of the lower levels" (El Militante Comunista, p 14, May 1976).

In compliance with the order of the minister of the FAR regulating the entire procedure for work with the officer cadres, the committees responsible for insuring that this party principle is carried out have already been established. However, it is still necessary to make a great effort in selection, placement and promotion of officers and to fight the old trend that the cadres grow old in their positions for fear of promotion to greater responsibilities.

Another characteristic feature of the methods and work style of the cadre organs is the /scientific and creative focus of our activity/.

This has great importance under the present conditions of the scientific and technological revolution which forces us to have highly trained officers in political, military and special aspects and to apply everything new in work with the military cadres, especially automation of information.

/Activity and operativeness/ are no less important.

As a result of the arms race and the aggressive policy of Yankee imperialism, the world lives in danger of a new world war that, due to the nature of the nuclear weapons that could be used, would have unpredictable consequences for mankind.

This situation especially affects us since imperialism has not stopped its aggression and threats against Cuba for a single minute, trying to drown our revolution in blood and stop its irreversible progress. This causes the constant tension to which our people, especially the FAR, are subjected. In recent years, they have undertaken the organization and training of the MTT [Territorial Militia], the assimilation of new combat equipment, reinforcement of combat and political training plans, improvement of engineering projects and increased combat readiness.

This requires our work to be active and operative, to seek solutions to the problems presented. It is imperative to carry out the tasks within the planned deadlines and with the required quality. Only in this way will our organs live up to present times.

Concern for the living and working conditions of the officers, warrant officers and especially the junior officers is another aspect that must characterize our methods and work style.

We can never ignore the living and working conditions of our cadres who, as the Heroic Warrior stated, "are the backbone of the revolution."

We must concern ourselves and demand, with the commanders and their alternates for political work, that the established rest and benefits for officers presented by the commander in chief and the minister of the FAR are carried out. We must also watch that the deadlines for promotions in position and military rank and assignment to military academies are not violated. In general, we must demand that adequate conditions are established to carry out their obligations.

Priority attention is given to work with the junior officers who graduate from our CEM [Military Training Centers] in growing numbers each year. Based on the experience accumulated so that the junior officers correctly assimilate their new duties and be successful in their new life, it is necessary to take measures covering their arrival to the assigned unit and their first years of service. These activities can usually be divided into two stages: the first covers their arrival to the assigned unit until they assume command of a small unit; and the other covers the first years of service which can be longer or shorter based on the characteristics of each junior officer.

During the last two 5-year periods, there has been considerable progress in the creation of better living and working conditions for FAR officers in fulfillment of the provisions of the First and Second Party Congress.

However, we have still not reached the desired levels because of our present economic limitations and, secondly, because of inadequate exploitation of possibilities.

Examples of what could be done in this sense are strict compliance with short passes, the vacation plan and other measures that reflect on the rest and health of the officers.

We must devote all our energy and initiative, in union with the commanders, alternates for political work and the organizations of the party and the UJC [Union of Young Communists] to these matters. Only in that way will we give an adequate response to this situation.

Another feature of great importance is /honesty and loyalty to the principles of the policy for work with cadres/.

The object of our attention is man, the most precious resource of the revolution. To a considerable degree, his future will depend on our adequate performance so it is very important to keep this in mind at all times.

Vladimir I. Lenin formulated the general principles for selection and distribution of cadres. They are equally valid for the party, state and social organizations.

First, he insisted, it is necessary to evaluate the officers based on a /political criterion/ which includes political maturity, degree of awareness and

ideology, level of sociopolitical activity and ability to focus on events and facts from class positions.

Another important aspect is the /practical criterion/ which means promoting officers based on the level of development of their military, professional and organizational qualities.

When we analyze an officer, we must do it integrally, looking at his positive and negative aspects, listening to the opinions of other comrades and, especially, being honest all the time. We must not establish privileges or try to benefit ourselves or benefit our friends for any reason. To simply and happily carry out the policy outlined by the party, the commander in chief and the minister of the FAR for officer cadres constitutes a permanent and inviolable duty for each of us.

/Discretion and preservation of military secrecy/ is another aspect in the methods and work style of the cadre organs.

Due to the function that they perform, a lot of information on the life of our FAR and officer promotion reaches this level. Every measure must be taken so that this data remains known to the interested commanders and officers without going on to other levels.

Other aspects of the methods and work style are as follows:

Subordination of the cadre organs and their work relations with the other organs of the units and general staffs;

Distribution of functions and work planning; and

Visits of inspection and assistance.

The cadre organs at the different levels are directly subordinate to the respective commanders. When this principle is violated or delegated to other persons, it generally negatively influences the results of work with officers.

Relations with the other organs of the units and general staffs, especially with the political sections, are equally important.

Close relations with the political sections are necessary due to the functions that the different leadership organs of military work develop. We have to plan with them the joint work to be developed with the officers, warrant officers and junior officers as well as participate in the activities organized for this: analysis of discipline, visits of inspection and assistance, meetings to exchange experience, etc.

Therefore, the constant exchange of opinions among the commanders of the cadre organs and the political workers acquires great importance. This will really help when formulating proposals for the use of officers.

A close tie with the other organs of the units and general staffs is also necessary since consultation of their opinions at the time of promotions,



assignments to courses, etc., is always recommendable. This creates a healthy atmosphere in the units and gives greater participation to the specialists in the work with officer cadres.

Concerning distribution of functions in the cadre organs, the starting point is strict application of the policy outlined by the party, the governing documents for work in this specialty and the functional duties of the officers.

Based on these documents and the missions of the unit involved, medium and long-term planning for the cadre organ and for each officer in particular is drawn up.

This task cannot be the work of a single person. The organ as a whole must participate in it and there must be group discussions.

Elaboration of the work plans is not enough. It is necessary to maintain rigid control over their fulfillment and watch the quality with which each task is done. When distributing work time, it must be remembered that the majority must be devoted to work in the units, participation in the training, maneuvers, exercises, etc., which will give us a more complete knowledge of the political and labor qualities of the officers.

Another aspect is related to the visits of inspection and assistance to the units. We hold the opinion that these must be done basically at the level of army corps and higher since, at the lower levels, it is necessary to do the work practically and directly.

Inspections can be made of the general staff or individuals by the cadre organ as a whole, by one officer or by a group of officers. It is usually necessary to objectively define the aspects that will be the subject of the inspection, draw up the plan and adequately prepare the participants.

The quality of the report made as a result of the visit of inspection and assistance is also important. It must concretely and analytically cover the situation of the work analyzed, its positive and negative aspects, the reasons for deficiencies and measures to correct them with definite deadlines for fulfillment.

Last, we must refer to the collective organs: the Cadre Leadership Council and the committees at the different levels.

This makes it possible for the main decisions made to have the benefit of the opinions of a considerable number of comrades. Far from weakening the principle of sole command, this helps strengthen it and increases the prestige and authority of the commanders.

The implementation and functioning of these collective organs as well as the establishment and improvement of other mechanisms that regulate work with officer cadres will exercise a notable influence on the methods and work style, make it possible to face future tasks with a creative spirit and fulfill the objectives for which the cadre organs have been created.



As we go into our functional duties, new elements will arise each day that will be incorporated. Naturally, the practical and creative activity of the cadre organs plays a very important role in this. New things must be considered as they arise, evaluated carefully and applied when we verify that they are positive and, in fact, help comply with greater quality and effectiveness to that established by our communist party, the commander in chief and the minister of the FAR in the interest of the constant increase of the combat readiness of our FAR.

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## NATIONAL EMULATION AT NAVY UNIT DESCRIBED

Havana VERDE OLIVO in Spanish No 37, 16 Sep 82 pp 4-7

[Article by Ramon Garcia Martinez]

[Text] The unit was happy. Since very early in the morning or perhaps long before the sun rose on the horizon, dozens of men and women were already involved in the last details of the proclamation act of the Initiator Unit of the FAR Socialist Emulation.

The minute we went in the main door of the unit we noted this happy atmosphere. Hundreds of meters away, at the docking area where the solemn ceremony would be held, the beautifully adorned surface units could be seen perfectly aligned next to the dock.

We looked at the formation. The faces coppery from the sun and salt of the sea showed firmness, confidence and determination to fulfill and continue forward until the ultimate victory.

In the firm, calm gazes of each of the young and older soldiers who, day after day, vigilantly protect our flag and our blue maritime frontiers, we saw an unusual glitter and emotion.

That was not surprising because the great honor and the confidence our FAR has in them is a sign of the tenacity and enthusiasm of these members.

## Challenge Stands

One of the most eloquent examples of the human and revolutionary quality of the soldiers in this unit is Ship Lt Manuel Perez Guerra, a young officer trained by the revolution. He has devoted 10 years of his life to protecting its conquests.

He stated: "Our daily work is directed at the improvement, care and use of the equipment and armaments that the revolution has placed in our hands in order to defend the socialist fatherland.

"For the successful completion of our tasks, we are basically supported by the political work of the UJC [Union of Young Communists] Base Committee since our crew is entirely made up by very young soldiers."

Ship Lieutenant Perez Guerra graduated from the ninth course of the MGR [Revolutionary Navy] Naval Academy with outstanding grades.

Because of his practical experience and responsibility acquired in several years of navigation, maneuvers and naval exercises, he was given the responsibility of commanding a modern surface unit which he calls "Fatherland or Death."

Perez Guerra continued: "Our base committee works with the new seamen, giving them tasks and missions that they carry out efficiently and well. All the problems and tasks to be done at the level of combat department and surface unit are analyzed within it.

"The fact that this unit was chosen to initiate the socialist emulation is a great honor that fills us with joy. It means continuing to offer our greatest efforts and sacrifices for the promotion and combat training of the FAR.

"I take this opportunity to issue a challenge to any unit or command in the country. We invite them to emulate in efficiency, fulfillment of combat tasks and political and military excellence. The challenge stands!" stated the young officer.

#### Why This Unit Was Chosen

With the challenge-commitment issued by this missile and torpedo launching unit of the Western Naval District of the MGR, its members decided to try to achieve superior results in all spheres of its activity and thus commit the rest of the units to make greater efforts that will mean increased combat ability and readiness.

Since its creation in 1972, the initiator movement of the socialist emulation has helped increase enthusiasm and dynamism in the emulation, playing an important role in stimulating the tasks of troop instruction and education.

During our tour through the different surface units, we met 21-year-old seaman Roberto Flores Lopez who was distinguished in his combat post.

Before being called to serve in the FAR, he studied naval mechanics at the Aracelio Iglesias Technological School in Havana City. He then worked in the Cuban Fishing Fleet for 4 years.

Once in the MGR, he studied at the Naval Specialists Center and graduated as an intermediate-level technician.

He stated: "My stay in the MGR has been very positive since it has permitted me to continue developing in my specialty. I received help from my comrades, especially the machine chief, Corv Lt Jorge Ruiz Mendez. Thanks to them, I have been able to carry out all the missions satisfactorily.

"One of the greatest achievements a unit can attain is to be proclaimed the Initiator Unit of the FAR Socialist Emulation. This commits us to try harder in work, discipline, study and--most importantly--to keep ourselves always alert toward any attack from the enemies of the revolution."

The missile and torpedo unit of the Western Naval District has the merit of obtaining one of the best qualifications in political and combat training, not only in the MGR but in the FAR. Important aspects like discipline, technical and cultural excellence, savings and equipment maintenance and preservation were other achievements.

During combat firing, the crewmen and artillerymen unequivocally demonstrated that they are prepared to act successfully at any time and under any conditions against enemy naval resources. Each target hit demonstrated the skill of the personnel, their political, moral and psychological training and the condition of the armaments and equipment.

#### Machine Chief, Electrician

A young, 22-year-old officer, Ens Juan Alberto Martinez, stated: "I feel that this is a very serious commitment since we must carry out the words of our commander in chief to fulfill all the commitments and missions presented to us with the highest quality, enthusiasm and efficiency."

He studied at the MGR Naval Academy and graduated as an advanced intermediate technician in naval electricity.

He is now machine chief and electrician of a surface unit.

"I have had good practical experience as an officer of a combat surface unit. I have advanced with the aid of the machine specialists and commanders until becoming a unit and MGR vanguard.

"On this occasion, I join my comrades in issuing a challenge to all the soldiers of the FAR so that, in this 1982-83 year of instruction, they emulate in every aspect and try to surpass the commitments we have made."

Based on what we could learn, the number of missions carried out by the soldiers in this torpedo and missile launching unit as well as their successes in instruction confirmed the justice of the words our commander in chief, Fidel Castro, addressed to them on board the yacht "Granma."

"The life of each one of you seamen has to be identified with the life of the fatherland, a life based on the vitality, determination and firmness learned in the difficult duties on the sea and the high ideological level of which our people and our revolution are proud."

Committing themselves as the Initiator Unit of the FAR Socialist Emulation, they have a new stimulus to continue being for "Fatherland or Death!"

#### Their Commitments

The chiefs, officers, warrant officers, sergeants, seamen and civilian workers of the FAR as well as the organization of the party and the UJC in the Initiator Unit of the FAR Socialist Emulation commit themselves to:

Guarantee constant combat readiness and maintain levels of enlistment above that established.

End the Year of Instruction with 100 percent fulfillment of the program and a minimum of 85 percent attendance at special training, to achieve marks of Good and to establish special classrooms and the necessary BME [Study Materials Program].

Carry out the tasks of combat and political training within the fixed deadlines with a mark of Good.

Increase ideological work with the troops, strengthening the revolutionary formation and communist education of the soldiers, in addition to expanding the study of Marxist-Leninist theory.

Carry out 100 percent of the political training programs with at least 90 percent attendance and a mark of Good.

Obtain a mark of Good in the exercises and training of commanders and general staffs as well as in the inspections of the Superior Command.

Have 100 percent of the officers and seamen with the third rank in the first half of the year and, in the second half, to categorize new seamen and 30 percent of those who opt for the second category.

Save fuel, oil and hours of motor resources in the use of technical equipment.

Continue improving the material living conditions for the recreation of the personnel and to establish game rooms in the unit, saluting the 30th anniversary of the attack on Moncada Barracks.

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## UNLOADING PROBLEMS AT HAVANA DOCK DESCRIBED

Havana TRIBUNA DE LA HABANA in Spanish 27 Aug 82 p 1

[Article by Nieves Alvarez Sisto]

[Text] As the photo of the Haiphong Dock shows, the increase in goods, amounting to 46,000 tons, is overcrowding its warehouses, yards and areas, where unloading operations are thus made difficult and the ability to promptly dispatch ships is limited.

This situation tends to create greater tension with the incessant arrival of Soviet roll-on roll-off vessels, hence the urgent necessity of speeding up the removal and transshipment of goods to those points they are destined for in the different warehouses of the domestic economy.

With regard to the cargo that has been unloaded, the growing number of containers, at present amounting to 1,800 and which occupy extensive areas, is deserving of special attention.

As concerns fulfillment of removal and transshipment quotas, an activity that should be keyed to the unloading of cargo in order to avoid a rise in inventories, the results obtained during the 10-day period show that from 1 to 19 August the unit was encumbered with 8,805 tons, 3,623 of which were destined for the domestic economy.

The positive participation of some agencies and enterprises, which with their own resources help to remove equipment, among others TRANSIMPORT [Cuban Enterprise for the Import of Vehicles and Transportation Equipment] and AUTOIMPORT [Central Enterprise for Supply and Sales of Light Automotive Equipment], should be noted.

We are also alerting those agencies and enterprises responsible for sending trucks and cranes, equipment indispensable for the transportation of a growing quantity of heavy equipment that has been sitting in the yards of the Haiphong Dock.

Considering what has just been said, let us remind those who manage the domestic economy and the transportation workers that only with their active participation will the port be able to reduce its inventories to 82,000 tons by the end of August.

Havana, August (AIN)—In verifying these activities here today, it was reported that the municipalities of Alquizar, Mariel, San Jose de las Lajas, Bejucal and Jaruco had the worst record for handling the loading and unloading of automotive equipment in the province of La Habana during the first 20 days of August.

The Mariel Naval Academy, the Santa Cruz del Norte Thermoelectric Plant and the San Antonio de los Baños Tobacco Plantation appeared most prominently among the enterprises that figured in this negative rating.

The La Habanera Cannery of San Nicolas, a beer distributor, the Abraham Lincoln Sugar Mill and for asbestos cement the paving tile factory, all of Artemisa, as well as the Roberto Coco Peredo Enterprise of San Jose de las Lajas and the export and warehousing ship, the "Guira de Melena," figured among those outstanding for their prompt dispatching of goods.

Summing up the plenary session, Atanasio Reyes, a member of the executive committee of the provincial assembly of the People's Government, urged all to change the existing unfavorable situation and proposed the creation of a committee charged with analyzing the progress of the chain of operations.

Felix Perdomo, the head of the party provincial committee's department of transportation and communications, chaired the meeting.

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## FIRST GROUP OF STUDENTS STUDYING IN GDR RETURN

Havana GRANMA in Spanish 20 Aug 82 pp 1,3

[Article by Jose M. Norniella]

[Text] The State Committee for Economic Cooperation has let it be known that the first group of 851 young Cubans who have been working temporarily and acquiring professional competence at 69 enterprises in the German Democratic Republic (GDR) have completed their term of work and technical training and some of them have recently returned to Cuba.

This temporary employment and qualification of young Cubans in the GDR is the result of the great friendship existing between Cuba and that country and the strengthening of their economic cooperation relations. At the beginning of this year there were 5,386 young Cubans working in that brother country and becoming qualified during a period of 4 years.

This cooperation began in 1978 with the signing by both countries of the intergovernmental agreement that implemented the procedures for developing this type of exchange and means of cooperating, through which thousands of young Cubans provide their labor in the GDR while at the same time becoming competent in different occupations and professions.

The first contingent arrived in the GDR in July 1978. After 4 years some of those who initiated this form of cooperation have returned home to Cuba and the rest, over 300 of them, will remain in the GDR for another 2 years for the purpose of improving their skills or performing different functions in the organization of these groups. Noteworthy is the fact that 33 of them will take intermediate and advanced-level courses of technical study and several others will perfect their knowledge of the language and Germanic studies.

In the course of the current year the contingent of young Cubans in the GDR will be increased by some 2,000, bringing the total of those temporarily employed while at the same time becoming qualified to 7,217. Most of these worker-students are located at enterprises in the fields of mechanics (most encouraged), chemistry, electronics, construction, textiles and metallurgy, in which they are qualifying in 64 specialized areas.

By 1985 the contingent will have grown to some 20,000.

In the report signed by Cuba and the GDR last November regarding evaluation of the utilization of these youths, it is stated that their labor efficiency rate is high since 85 percent of them meet their work quotas on a par with German workers. On the whole, the rate of fulfillment of work quotas is over 94 percent. This fact demonstrates the high level of labor discipline attained by the young Cubans and the high degree of competence and skill achieved in their different jobs.

We ought to point out that almost 40 percent of these young workers supersede their work quotas and many of them have consistently maintained quota-fulfillment rates of between 120 and 138 percent, for which they have been awarded bonuses and granted the status of Socialist Labor Activists, an incentive reserved for highly skilled and productive German workers.

Also outstanding is the fact that their job attendance and punctuality rate is maintained at over 92 percent.

As a final note to these young Cubans' job and academic training process, it is indispensable to point out that the Free German Youth has conferred on 27 of them the Artur Becker Medal in the categories of gold, silver, bronze and friendship. Another 1,162 young Cubans have simultaneously received different kinds of honors and awards granted by the state and GDR enterprises for their outstanding behavior in terms of work, education and socially in 1981.

There is a similar contingent in Czechoslovakia composed of over 4,000 youths and another 400 or so in Hungary. This sort of cooperation is soon to be extended to the Soviet Union and Bulgaria.

11,466  
CSO: 3248/40

## DAIRY PRODUCTION ON RISE IN MATANZAS PROVINCE

Havana VERDE OLIVO in Spanish No 35, 2 Sep 82 pp 41-43

[Article by Roberto Perez Betancourt]

[Text] Admiration--that is the feeling aroused by the livestock progress in Matanzas Province among all who know of the work of the men and women engaged in the constant struggle to impose their will on the difficult land conditions and limited material resources.

The comments that foreign visitors usually make after verifying that the essential food base is pasture and forage are filled with praise.

I received the best characterization from an old peasant in a feather hat. He was from the Gonzalo area, now the model district of the Matanzas Livestock Breeding Center. Indicating the many rocks that flourish on the surface, he stated: "The secret is that we get milk even out of rocks."

## Starting from Zero

The revolution began livestock development in Matanzas starting practically from zero.

In 1970, the province produced 37 million liters of milk. The figure seemed high then when compared to the ridiculous statistics of the pseudorepublic.

In 1972, with the first 150,000 liters delivered by the new breeding center founded by initiative of Commander in Chief Fidel Castro, Matanzas began its great milk project and transformation of large rural areas.

However, it is necessary to note that this occurred mainly on land made available by the relocation of the sugar-cane fields which were allocated the best areas for integral mechanization.

The active incorporation of the peasantry in the state program in the Triunvirato area produced a great transformation in the socioeconomic and cultural life of the agrarian cells.

Shacks turned into multifamily buildings, oxen into tractors. Schools and dams, theaters and mechanized milking arose and little by little thatch gave way to white concrete.



In 1975, the province produced 61.5 million liters of milk. Artificial insemination spread and there were new genetic searches to find cows better adapted to the double purpose of producing meat and milk.

Although the development of pastureland did not progress at the required rate to feed the cattle herd, the people of Matanzas managed to fulfill their plans for the 5-year period 1976-80. In the last year of that period, they produced more than 100 million liters--the breeding center contributed more than 50 percent--and fulfilled their meat supply plan.

The year 1981 marked an advanced stage although there was a severe drought. However, by December more than 102 million liters of milk were produced after a campaign that put to test the tenacity to continue advancing.

The new 5-year period 1981-85 presents ambitious goals for the people of Matanzas, considering the objective material limitations that the country faces which restrict the import of concentrates and other basic resources required by the technical level of livestock development.

The objectives include: more than 500 million liters of milk, an average of 25,000 tons of beef a year, 5,000 caballerias of pasture planted, 200,000 cows reproducing and continued progress in the technical training of the workers and economic efficiency of management.

Jesus Castro, the assistant delegate of the Ministry of Agriculture for the livestock branch, commented: "We work to overfulfill. We do not look at what we are missing but we stress what we have not yet done that we can accomplish as the way to achieve success,"

Rodolfo Garcia, secretary general of SNTAF [National Union of Agricultural and Forestry Workers] in Matanzas, felt that the special microemulsions that his organization encourages have played an important role in the goals achieved. They must help in the tasks of the 5-year period.

He recalled that the people of Matanzas received the special banner for 100 million liters from the SNTAF National Secretariat for 2 consecutive years. He presented the main objectives of the present year, discussed by all the livestock workers in the seven enterprises in the branch:

To produce 103 million liters of milk in spite of having less concentrate, to increase the yield per cow, to decrease the mortality of calves and adult animals, to ensilage 370,000 tons of food and to have more than 75,300 calves born.

"Mambi," a Reality

There have been great efforts by the country to achieve new breeds that have multiple purposes and are adapted to the conditions of the tropics.

As part of that objective, the Matanzas people work to consolidate the so-called "Mambi" by establishing the characteristics of the dairy Holstein and the Cebu, crossing F-2 hybrids of both breeds.

The Matanzas Breeding Center that will produce more than 55 million liters of milk this year has more than 7,000 prototypes of the first generation of the "Mambi" located mainly in the Gonzalo district, the most outstanding district in the center.

In 1981, that district produced 10.5 million liters of milk and had a 4.9 percent mortality rate for calves, a notable reduction.

In the first half of this year, Gonzalo estimated production of more than 5 million liters or 123 percent of its plan at this stage. It increased the average yield per cow to 8.8 and reduced mortality to 2.5 percent.

#### Toward Greater Emulation Achievements

By incorporating 100 percent of the 732 cattle units in the Model Movement, the Matanzas people achieved a basic objective.

There are 157 centers that hold the rank of Aspirant, 54 are already Models and 7 are Schools--the highest rank granted for integral livestock efficiency.

The union and the administration sponsor that emulation whose results lie not only in the fulfillment of productive plans and decrease in deaths but in the systematic training of the workers to fulfill the zootechnical and veterinary norms, a guarantee for the future.

#### Advances, Prospects in Animal Health

The actions of the veterinarians (more than 320 in the province) and technicians are responsible for a major part of the production achievements. The statement that the cattle herd is free of tuberculosis and brucellosis exemplifies the results of joint work for years.

Now the IMV [Veterinary Medicine Institute] has the material possibilities to go deeper into diagnostics with four properly equipped laboratories.

Biological and toxicological research is also done in the territory. It began production of hemolysin (a biological stimulant) based on sheep blood and horse gastric juices and plans to expand its capacity to 800 liters of the product per week. It improves the health of calves.

In the first half of the present year, cattle mortality decreased by more than 500 head compared to the same period in 1981. This had not occurred in 4 years.

Verification of the objective advances in production, health and the food base stimulates the workers since it reveals the fruits of the effort of each person and the livestock collectives.

At the same time, it makes it possible to evaluate how much is still needed to satisfy the ever growing needs of the people.

The Matanzas livestock administrative and union leaders, the technicians and specialists of the sector and all the livestock workers are committed to overcoming the problems and shortcomings.

This was demonstrated in recent worker plenary meetings, the meeting of the ACPA [Cuban Animal Production Association] branch and the plenary meeting of veterinarians. Many agreements were adopted to stimulate work with the determination to continue advancing.

7717

CSO: 3248/6

## FARM ACTIVITIES OF ANTIAIRCRAFT ROCKET BRIGADE NOTED

Havana VERDE OLIVO in Spanish 16 Sep 82, No 37, pp 24-27

[Article by Lesmes La Rosa]

[Text] When we wrote the headline for this article, we were not really looking for "journalistic bait." It was simply a matter of writing things as they are because that is what is happening in this small unit of the Antiaircraft Rocket Troops. With the same tenacity and enthusiasm with which its soldiers train politically and militarily to defend our air space, they cultivate the land to produce food and improve the diet of the collective.

The results are satisfactory in both areas. Facts, figures and testimony demonstrate this. It suffices, for example, to observe the "Bronze Giant" banner that the unit so proudly and jealously guards or learn that it has been a vanguard for its type of armed force for 3 consecutive years. Since 1978 it has not received a lower mark than Good in inspections. They joyfully speak of the Outstanding mark achieved in rocket firing! They are equally happy when referring to the distinguished position they earned in the Giron 21 Special Emulation.

In short, the motto of these "rocket men" is not to permit the enemy to defile with his presence the clean sky where the sun of socialism shone for the first time in America. The attitude shown daily in operational, combat and political training corresponds to their patriotic pledges.

## Also in Agriculture

The basic elements were there: fertile land and the willingness of the personnel to carry out any task. The initiative throbbed in some comrades until it broke out and spread. Then all hands went to work with what they had. They did not make long lists to request implements and resources from the superior command. It was necessary to exploit what the unit already had. Many manufactured their own. The main thing was to start the kitchen garden.

It is also true that a favorable wind blew on the productive enterprise; there were many men like soldier Rene Veitia Reyes, an expert in sowing, cultivating and harvesting, knowing the secrets of the land and practical meteorology by living in the country a long time. As expected, Veitia was distinguished in

agricultural tasks. He is as good a soldier as a farmer. In the past Year of Instruction, he received a mark of 5 points. He told us about his experience:

"I drive a vehicle in the unit but anything learned well is never forgotten. I was born in the country. My father was a small farmer; now he is a member of a cooperative. If the parcels of land I have cultivated since I was little were joined together, they would be so long that I do not have the slightest idea how to calculate it. In Banao I worked as a tractor driver. Therefore, no one here is surprised when I get out of the vehicle and get on the tractor to work on our 'farm' as we call it. Every chance I get, without anyone ordering me, I go there to weed, hoe or do anything. Everything benefits us.

"Our first crop was black beans. We all remember it!"

Of course, no one has forgotten that because an improvement in the food could be seen then. The cooks--of whom little is written--also contributed with better quality in food processing. The delicious soups helped balance the diet.

#### Breach Still Open

What had been a plan became reality. There was no dream or laurels to rest on after the first accomplishments. The first steps were taken in the garden; then "it was necessary to lengthen the stride," Veitia jokingly indicated. The UJC [Union of Young Communists] took on that work. WO Rafael Perez, secretary general of the base committee, informed us:

"We converted the work on the garden into an assault. We knew the participation of our youths and members would be a valuable aid to the command and the party in the interest of improving the living conditions. The agricultural-livestock activity is part of this. We also had experienced the improvement in the food. Thus on weekends we mainly turned to the fields.

"We started with the idea that the garden work be done voluntarily. We used written propaganda, murals and speeches by political agitators to mobilize the comrades. However, the response has been so massive and enthusiastic that it has sometimes been necessary to make a selection and choose the most experienced comrades in agricultural work although we guarantee the participation of the rest through rotation."

The bean harvest marked the beginning of production. With reason, Warrant Officer Perez talks now about fields because a visit to the area that covers approximately 1 caballeria revealed an extensive parcel from which yucca was being picked and later eaten in the dining room. Healthy ears of corn emerged from the stalks while the field of bananas--vegetable and fruit--"will surely have tremendous production," according to soldier Nestor Santos. A small plot was ready to be planted with sweet potatoes.

#### Lesson of Experience

On one occasion, the bean crop failed. The drought surpassed all predictions but the loss was recovered and there was even progress. Now a microdam lies very close to the fields to guarantee the water for irrigation.



Inside that reservoir, there is another seeding--fish. The nervous leaps of the carp and tilapia can be observed. When they reach the required size and weight, they will increase the diet.

Concerning the microdam and its surroundings, some harbor the initiative to create an area for the recreation and amusement of the soldiers.

There has also been an incursion into livestock production. In a rustic, hygienic corral built out of waste materials, pigs develop under veterinary control. They include several pregnant sows while more than a dozen suckling pigs gain weight daily.

In the increasing productive achievements of this small unit, the technical advice of specialists from the Ministry of Agriculture whose work has been aimed at agricultural activity and animal health has been valuable.

In short, the visit to that military collective, although brief, gave the impression that its soldiers progress successfully in the defense of the sky and cultivation of the earth.

7717  
CSO: 3248/46

## LEADERS DEAL WITH FOREIGN CREDITORS, LENDING INSTITUTIONS

## External Debt

Quito EL COMERCIO in Spanish 16 Sep 82 p A 1

[Text] Concrete steps are under way, according to Jose Antonio Correa, chairman of the Monetary Board, to refinance the short-term external debt, which, he disclosed, now totals \$850 million.

That debt, he said, is to be extinguished as follows: \$140 million this year, and \$710 million during 1983.

In addition, he stated that the nation's total external public debt is now \$5,200 million in round figures. Half of this amount is owed to international bodies, governments and suppliers, while the other half represents debts contracted with private banks.

In this frame of reference, the public debt is structurally sound, he said, adding that what has revealed some flaws is the annual distribution of its amortization. There is no regularity in the sums that must be amortized each year, and it has become necessary, therefore, to introduce corrective action so that payments to be made abroad will coincide with anticipated hard currency revenues.

He indicated that he as well as the general manager of the Banco Central, Abelardo Pachano, initiated the necessary talks in this respect during their stays in Toronto and New York. This, he said, should reassure the nation. The results will be positive for the nation's interests.

During his first press conference, Correa affirmed that the current levels of external debt are manageable, but that if this indebtedness is allowed to rise, the fiscal deficit and the service of the external debt will also rise, at which point, he warned, the current account deficit could reach unmanageable levels.

As of today, he pointed out, service of the external debt requires more than 30 percent of the value of our exports. The current account deficit is in-

creasing year by year, and it is now necessary to cut back on expenditures and seek ways of increasing revenues. The size of the debt is such as to require close watching and, indeed, even hopes for favorable turns such as a rise in the international prices of oil and a drop in interest rates. If these factors come to pass, he emphasized, the nation will be greatly relieved of burden.

He also pointed out that Ecuador is, at this time, not making use of many IMF credit lines. For example, he said, the IMF lends sums equal to each member country's paid-in share. This share remains in the Fund or may be returned in the form of a loan. Nations also have special drawing rights and, most importantly, there is a compensation fund for loans in cases of drops in exports. None of these lines have been used by Ecuador, not even current schemes such as the "standby."

On the other hand, he revealed that the international currency reserve has declined, as of this date, to \$320 million and that the budgetary deficit now amounts to 7 percent of the GDP [gross domestic product]; and further, that the current account deficit this year will be not less than \$1,000 million, or more or less the same as last year's.

Correa remarked that, during his talks with financial entities both in Toronto and New York, the international banking community had found open approaches for dealing positively with the nation's credit problems.

He said that, notwithstanding its problems and the spread of adverse factors in a recessionary worldwide economy, the Ecuadorean economy is considered viable, provided it is managed on a sound working and fiscal basis.

In conclusion, he stated that the international banking community had expressed itself favorably with respect to the Ecuadorean private banking and financial system. The big international banks can thus be expected to continue operating as usual with the Ecuadorean ones.

#### Negotiations With IMF

Quito EL COMERCIO in Spanish 16 Sep 82 p A 2

[Text] It is still being argued that Ecuador must not turn to the IMF to refinance its external debt, but rather to the international private banking sector. The vice president of the Republic himself has cited figures showing that falling due within 3 months will be \$300 million and, within 3 more months, another \$700 million, meaning that, within this short period of time, the nation must incur indebtedness totaling \$1,000 million. Of course, this does not correspond to the reality of things, as regards either the IMF or our external debt refinancing needs.

Opposition to negotiations with the IMF are being based on the assumption that this entity would exact of the nation extremely onerous terms and conditions from the political, economic and social standpoints, as if the

IMF were the instrument of some neocolonialist power. It is being forgotten that the IMF is another of the UN bodies, that Ecuador contributes to it, and that it is to it that the member nations turn when they have balance of payment problems. Ecuador has not needed the IMF since 1974, because it has benefited from the oil bonanza, but things are different today and turning to it once again--as have many Latin American nations this year as well as others as diversely oriented ideologically as the People's Republic of China (\$450 million), Yugoslavia (\$517 million) and South Korea (\$432 million).

Ecuador's balance of payments current accounts deficit is around \$1,300 million, in large part the result of its lumped external debt, which is calculated to be around \$6,000 million, of which \$1,300 million are owed by the private sector and the rest by the public sector. Interest payments alone represent a burden of \$900 million, a figure the significance of which is better understood if one considers that, in 1981, our total exports amounted to \$2,500 million.

No one would think, of course, of paying off this entire debt in cash, not even through new severely conditioned--as regards term and interest rate--loans such as those that have been so senselessly entered into in recent times. But turning to the IMF is a necessity, with a group of leading experts, to present the nation's exact economic and financial situation and request its cooperation in arriving at the most advantageous terms and conditions from the standpoint of our national interests. What the international body is offering is not a conventional loan, but rather a financial program in terms of different stages and services, which, as such, would be implemented gradually and in accordance with certain stipulated readjustments.

According to the most recent reports, all the countries that have used the aid offered by the IMF have substantially improved their balance of payments in absolute as well as relative terms and have experienced a drop in their inflation rates. According to the IMF's rules and regulations, Ecuador could request a financial program of up to 4.5 times its quota of 105 million special drawing rights--equivalent to some \$120 or \$130 million--even though some stages would not be available to it. In sum, the real availability to the nation would be up to 2.5 times its quota, that is, some \$300 million, an amount that would suffice to reactivate the national economy and, fundamentally, to recover the confidence that has been lost domestically and in international financial circles.

9238

CSO: 3348/25

## HURTADO CITES NEGATIVE REPERCUSSIONS OF ECONOMIC CRISIS

Quito EL COMERCIO in Spanish 29 Sep 82 p A 1

[Text] The economic crisis that is affecting all the world's countries equally is the most dangerous enemy of the democracies, according to President of the Republic Osvaldo Hurtado, who urged joint action to deal with it and avoid negative social and political repercussions.

At the opening of the Seminar on Policy, Democracy and Development in Latin America, being held in Guayaquil, the chief executive added that the constitutional governments are especially vulnerable to economic crises, because they create a framework of freedom within which the various groups defend their interests, often through demagogic arguments.

At another point in his address, he said that in each country there are differences as to magnitude of the crisis but not as to its manifestations and trend. Whoever thinks--he added--that dictatorial governments are better, should observe the dramatic example of Bolivia, which has announced its return to democracy.

The international crisis--he said--has focused attention on the way each country is organized politically and on the way it is structured economically.

Using figures, the chief executive pointed out that, immediately following the Second World War, Latin America registered a steady economic growth. Over the past 30 years--he added--the annual rate of growth of its GDP [gross domestic product] has averaged over 5 percent.

Suddenly, according to Hurtado, the dream has ended and today we find ourselves faced with a situation comparable to that of the 1930's. He recalled that in 1981 the GDP rose barely 1.2 percent--the lowest rate since 1945--and said that, this year, the forecast is a negative growth.

He added that the inflation rate is, for the fourth consecutive year now, up around 60 percent and that the external debt now totals \$240 million.



As a consequence of this worldwide phenomenon, the president explained, the industrialized countries, with rare exceptions, have not allocated 0.7 percent of their GDP for aid to Third World countries, as was recommended by the UN.

The crisis has transformed them into more tightfisted misers, to the point where they have reduced their cooperation to around 4 percent, he said.

He also pointed out the zoom in interest rates. These doubled--he added--and in the last few weeks--he said--the banks have tightened their credit terms, invoking "hemispheric risk," which, according to them is affecting Latin America.

Added to this, according to Hurtado, has been the setting up of tariff barriers in the developed countries and the curtailing of their imports of raw materials from our countries, which--he stressed--are export-dependent.

Given this background--he said--we who live as democratic societies must, at this time, take under advisement the responsibility devolving upon us.

He then urged unity of the political parties. Today, more than ever--he said--the seeking of a consensus through democratic dialogue is indispensable, if we wish to succeed in overcoming the grave difficulties created by the economic crisis.

He suggested also a revitalization of the SELA [Latin American Economic System], which was created to study the economic problems of the continent by way of consultation and cooperation.

9238

CSO: 3348/25

## MORTGAGE BANK'S ANNUAL STATEMENT SHOWS AID TO INDUSTRY

San Salvador EL MUNDO in Spanish 7 Sep 82 p 19

[Text] In its annual statement, the Mortgage Bank explains that in spite of limited financial resources last year, it has tried to contribute to reactivation of industry and construction, while giving priority to the agrarian sector.

The report reads in part:

## Industry

As a consequence of limited financial resources over the last few years, and changes in the demand for credit, the bank's authorities, in compliance with the purposes for which this institution was created, have assigned their resources primarily to the agrarian sector, as well as to refinancing users' debts. This has made it impossible to serve the financial needs of industry better, a problem that extends as well to the construction and commercial sectors of the economy.

The bank's financial resources applied as loans to the industrial sector during the fiscal years 1980-1981 and 1981-1982, are set out in the graph reproduced below. During the first of these fiscal years, 24 loans were extended for a total of 2,320,236 colons, and 1,916,214 colons were lent out in the second fiscal year.

Of the total assigned to the industrial sector, financing for agro-industry during the fiscal year 1981-1982 reached 790,000 colons, which was applied to the manufacture, preparation, conservation, and packaging of dairy products. During the fiscal year 1980-1981, financing amounted to 285,000 colons, also applied to processing of dairy products.

With regard to the manufacturing industry, during the fiscal year 1981-1982, 17 loans were granted for a total of 3,446,450 colons, and during the fiscal year 1980-1981, 21 loans were extended for a total of 2,035,236 colons, the yearly total thus having increased by 1,411,214 colons.

Those sectors benefiting the most from financing were, principally: non-metallic mineral products; textiles; paper, cardboard, and paper and cardboard articles; and footwear, clothing, and other textile-related articles.

On July 16, 1981, and on December 22 of the same year, the Board of Directors of the Central Reserve Bank, in order to provide manufacturers with credit assistance to reactivate this industry, so important to the national economy, approved the following lines of credit: "A Special Line of Credit for Structural Working Capital for Manufacturing Industries," "A Line of Credit to Finance Imports from Venezuela," and "A Line of Credit to Finance Imports from Argentina." Through the first of these lines of credit, industrialists may obtain loans to finance their working capital, and, in special cases, to refinance debts and replace fixed assets. The terms for these loans is up to 4 years, based on an evaluation of the economic and financial situation of the enterprise involved, with a possible grace period of up to one year. The applicable rate of interest is 7.9 percent for small industries whose assets do not exceed 500,000 colons, and 10.0 percent for remaining industries. Cooperative associations of small industries are given a preferential rate of 6.0 percent.

The second of these lines of credit is used to finance imports from the Republic of Venezuela of machinery, raw materials, replacement parts, and other inputs for production of goods in the industrial and agricultural sectors. The term of these loans is up to 1 year for consumer goods, up to 3 years for intermediate goods, and up to 5 years for capital goods. Applicable rates fluctuate between 7 and 9 percent a year.

By means of the third line of credit, financing can be obtained to import machinery, raw materials, and other inputs for production of industrial and agricultural goods from Argentina. The term of such loans may not extend beyond November 30, 1983, and the applicable rate of interest is 9.5 percent a year.

[See graph next page]

(1) CUADRON° 27

(2) CREDITOS CONCEDIDOS AL SECTOR INDUSTRIA

(3) CLASIFICADOS POR ACTIVIDADES ECONOMICAS

(4) Ejercicios 1980-1981 y 1981-1982

(6) ACTIVIDADES ECONOMICAS	(7) No.	(8) 1980 - 1981			1981 - 1982			(5) VARIACION			
		Monto en Colones	No.	Monto en Colones	Monto en Colones	No.	Monto en Colones	No.	Colones	No.	Colones
1 AGRO-INDUSTRIA (9)			3	285,000.00			5	790,000.00		2	505,000.00
2 INDUSTRIAS DIVERSAS (10)			21	2,035,236.24			17	3,446,450.00		4	1,411,213.76
— Productos de panaderia	3	85,000.00			3	24,450.00			—		60,550.00
— Chocolate y confiteria	—	2,200.00			—	—			—		2,200.00
— Bebidas (excepto cerveza y malta)	1	120,000.00			1	150,000.00			—		30,000.00
— Textiles (excepto sacos, cordel y jarcia)	2	52,340.00			4	1,132,000.00			2	1,079,660.00	
— Calzado, vestuario y otros articulos confeccionados con textiles	4	80,096.24			2	215,000.00			2	134,903.76	
— Muebles y accesorios	3	17,900.00			1	35,000.00			2	17,100.00	
— Papel, carton y artic. de papel y carton	1	30,000.00			1	250,000.00			—		220,000.00
— Imprentas, editoriales e industrias conexas	2	47,000.00			1	5,000.00			1	42,000.00	
— Productos de caucho	1	50,000.00			—	—			1	50,000.00	
— Productos quimicos	1	35,000.00			1	35,000.00			—		—
— Productos minerales no metalicos	3	1,515,700.00			3	1,600,000.00			—		84,300.00
TOTAL (11)			24	2,320,236.24			22	4,236,450.00		2	1,916,213.76

- Key:
1. Graph No. 27
  2. Loans Granted to the Industrial Sector
  3. Grouped According to Type of Economic Activity
  4. Fiscal Years 1980-1981 and 1981-1982
  5. Variation
  6. Type of Economic Activity
  7. Number of Loans
  8. Amount in Colons
  9. Agro-Industry
  10. Miscellaneous Industries
    - Baked goods
    - Chocolates and candy
    - Beverages (except beer and malt liquor)
    - Textiles (except sacking, cord, and rigging)
    - Footwear, clothing, and other articles made of textiles
    - Furniture and accessories
    - Paper, cardboard, and paper and cardboard articles
    - Printing presses, publishing houses, and related industries
    - Rubber products
    - Chemical products
    - Non-metallic mineral products

9839

CSO: 3010/2365

## ECONOMY MINISTER DISCUSSES DROP IN GROSS NATIONAL PRODUCT

San Salvador EL MUNDO in Spanish 7 Sep 82 p 19

[Text] A drop of 653,200,000 colons in the gross national product occurred over the last 2 years, according to Dr Jose Manuel Pacas Castro, minister of economics, who spoke yesterday before the general meeting of the constituent assembly.

In his official report, presented in compliance with constitutional mandate, the minister indicated that in 1979 the gross national product reached the sum of 3,595,200,000 colons at constant 1962 prices. It declined by 9.6 percent in 1980, and again by 9.5 percent in 1981 to last year's total of 2,942,000,000 colons. This means that in 1981 the GNP dropped to 1974 levels, which in turn means that Salvadorans' standard of living has fallen considerably. To put it another way, we have regressed 7 years in terms of the standard of living.

The minister briefly analyzed the factors that have produced this decline in the Salvadoran economy. Among them, he pointed out the internal socio-political situation, and recession in the industrialized nations, which are facing serious problems of inflation, unemployment, low productivity, and high interest rates, all of which naturally has repercussions on the economies of the developing countries, El Salvador among them.

During the period from 1 July, 1981 to 30 June, 1982, he said, our country has continued to suffer from the effects of the so-called "structural changes," which, because of their high political content and the improvisational manner in which they were carried out, particularly with regard to the agrarian reform, have caused serious maladjustments in the nation's productive apparatus.

The minister indicated that another factor contributing to the stated decline is the increase in activity by radical leftist groups supported in their armed rebellion by foreign powers, who have devoted themselves to destroying or interrupting basic communication, transportation, energy, and other services, thus also rendering impossible all kinds of productive activities in certain areas of the country.

He also pointed out that the scarcity of available foreign exchange, as a result of the aforementioned circumstances, had negative repercussions on industrial activity, given the high percentage of raw materials imported from abroad



by the latter sector. Together, all these factors brought about a substantial reduction in national savings, and hence in both public and private investment as well, since investment has traditionally been generated by savings.

The decline of private investment was also influenced mainly by two factors:

a) the lack of a clear definition by the previous government of the role that private enterprise should play in the country's economy; and b) the specter of the so-called "second phase" of the agrarian reform, which, if put into effect, would affect more than 2,000 agricultural properties, with a total land area of approximately 340,000 hectares, comprising more than 24 percent of the country's arable land, and approximately 15 percent of the most productive land devoted to coffee cultivation.

#### Exports Drop

El Salvador's exports have suffered a drastic decline in the last 2 years, according to the report presented to the constituent assembly by the minister of economics.

According to the minister, exports had amounted to 2,823,800,000 colons, but dropped in value during 1980 to 2,680,300,000, and in 1981 to 1,983,000,000 colons.

The minister explained that this decline is due not only to a considerable drop in national production, but also to falling prices for our country's main products on the international market.

9839

CSO: 3010/2365

## REPORT TO PPP CONGRESS EXPLAINS 'POLITICAL SOLUTION'

Georgetown MIRROR in English 19 Sep 82 p 3

[Text] What we said in the late 1970's is even more relevant today. We had then said that without a political solution, there could be no solution to the economic and social crisis.

..The basis (economy) and the superstructure (politics, ideology, institutions and culture) are interlinked and inter-acting. At first, imperialist and PNC control at the superstructural level, led to difficulties at the basis, in the economy. That in turn has led to problems at the superstructural level, as manifested in authoritarian rule, denial of democracy and violations of human rights. The consequence is a vicious circle from which the PNC cannot extricate itself, and which is spiralling the country downwards.

This we had clearly enunciated in our Party Programme when we stated:

"Lack of democracy, bureaucratic-administrative and police-military methods of rule, the denial of humanrights and civil liberties, the militarisation of politics and industrial relations, the refusal to establish democratic management of workers' control at state enterprises and to recognise truly democratic mass organisations, political and racial discrimination in the allocation of jobs, land, credit, houses and consumer goods at state outlets, political patronage, corruption and extravagance have acted directly and indirectly as fetters on the productive forces."

Had the PNC heeded our calls and warnings, implemented our 17-points proposal and agreed to a political solution based on a National Patriotic Front Government, our economic situation would not have been in such a mess today, and our country's independence would not have been faced with the present grave dangers.

Once again, while retreating, the PNC is resorting to palliatives and pleas. A Task Force "to spearhead national recovery" and an anti-corruption Committee have been set up. Pleas are made to the workers for "hard work, sweat and blood," reminiscent of the former, "eat less, sleep less and work harder" slogan. And political parties are asked to face the crisis together. Said Dr. Reid: "Whether you are PPP, UF, or PNC, it is now time for all of us to join hands to overcome these difficult issues."

But the workers know that these palliatives and pleas will not produce results. Pressed by them, the General Secretary of the TUC, a body which is under the thumb of the PNC regime, in his Report to the General Council Meeting on March 28, 1982, stated that the progressively worsening situation "is of such magnitude today that it demands a much deeper examination and more far-reaching action than the retrenchment of a few thousand workers and the fan out public meetings calling on the people to produce more and to prepare themselves for greater sacrifices. What further sacrifices can the people be expected to bear beyond what had already been heaped on them by the infamous revised June 2, 1981 National Budget which abolished subsidies and sent prices of almost every consumer item including basic ones and essential services skyrocketing."

We say that there is a way other than surrender, retreat and sell-out; there is a viable alternative. The deepseated, chronic malaise requires radical treatment.

To bring about immediate relief, and raise morale, we propose a shift of the burden from the backs of the poor to those who can afford it. The high-life style, extravagance and privileges of the PNC ruling class must be cut, and the tribute going to imperialist vested interests must be slashed. The national cake must be distributed in favour of the masses.

(Central Committee Report, PPP 21st Congress.)

CS0: 3298/017

## CENTRAL COMMITTEE REPORT TO PPP CONGRESS EXCERPTED

## PNC Failure With Socialism

Georgetown MIRROR in English 12 Sep 82 p 3

[Text] AS a result of PNC's opportunism and acrobatics, bureaucratic methods of management, corruption and discrimination, nationalisation and socialism have been denigrated. The rightist reactionary forces inside and outside the country have been given a weapon to claim that nationalisation has failed in Guyana, that the vast majority of people do not want socialism. Some assert that the state cannot run anything efficiently and must not get involved in business. They claim that things were better before nationalisation when the imperialists overlords held sway. They idealise the past and hanker for a return to the days of colonialism. They cannot see any future without foreign capital; they want an "open door" policy.

To those who denigrate state ownership and control, let us recite the history of the Guyana Rice Board (GRB). This state-controlled enterprise function differently under different governments. The rice farmers were exploited by the colonial regime. The PPP government changed the composition of the GRB and put the democratically-run Rice Producers' Association (RPA) in control, and both the rice farmers and millers prospered.

Similarly, the Rice Development Company (RDC) and the Guyana Electricity Corporation were run efficiently and profitably (the RDC made its first surplus under the PPP government).

The PNC regime merged the RDC with the Rice Marketing Board (RMB) to form the GRB, changed its composition, expelled the RPA, set up bureaucratic management worse than in colonial days, and wrecked the rice industry. The solution is not to dismantle the GRB, but to democratise it. Put back the RPA in control.

Clearly, what is important to look at is not the institution per se, whether it is losing or making profits or surpluses. More important is the nature of the state, which class controls it and the extent of democratisation. What is needed is a people's revolutionary-democracy.

We must boldly come out in defence of nationalisation and socialism. With all the powers at our command, let our voices ring out loud and clear; they have

not failed: What has failed is the PNC which is content with nationalisation without democratic control. And let us remember that even though nationalisation has been perverted and waylaid, it has succeeded in a fundamental way: it has reduced total imperialist ownership and control of key sectors of our economy and resources, raised class consciousness and sharpened the class struggle. Former PNC supporters, particularly at Linden, have come to see the PNC leadership in its true colours, not as socialist comrades, but as bosses pursuing relations typical of capitalism.

Socialism has not failed. Actually, socialism has not even been tried in Guyana; the pre-requisites for socialism have not been laid.

(Excerpt from Central Committee Report to PPP's 21st Congress,)

#### Slap at U.S.

Georgetown MIRROR in English 12 Sep 82 p 3

[Text] The present US administration is determined to resurrect the atmosphere of the cold war, to build up war hysteria and to enlarge areas of conflict in various parts of the world--South East Asia, the Middle East, Southern Africa, the Horn of Africa, Latin America and the Caribbean--in order to deter the steadily and inexorably advancing forces of democracy, liberation and socialism. It wants to undermine the independence, particularly of the non-aligned countries, which are pursuing an anti-imperialist, socialist-oriented course, and to crush the liberation movements which want to bring down feudal and reactionary regimes. Imperialist strategy is formulated on the basis that aid from the socialist countries to these movements could lead to confrontation with them, and at the same time of getting the power of the socialist countries far out-stretched, while a massive military-nuclear build-up is made in Europe to endanger the very existence of the Soviet Union.

(Central Committee Report to PPP's 21st Congress)

CSO: 3298/016



## VITAL LABOR ISSUES SLATED FOR AIRING AT TUC CONFERENCE

## General Secretary's Views

Georgetown MIRROR in English 19 Sep 82 p 4

[Text] As trade unions in the country prepare for the upcoming delegates conference (September 21-26) of the Guyana Trades Union Congress the labour movement is beset with a multitude of problems expected to arouse serious debate at that forum.

According to TUC General Secretary, Joseph Pollydore, while speaking to the MIRROR, highlights of the conference will include such important issues as the spate of retrenchment which has hit the country's workforce and the state of the economy. He said several motions from various unions have been received and will be put to the delegates for consideration.

From all indications the controversies that have racked the movement for years are expected to once again resurface which, depending on how they are decided, will either strengthen or further make the evident divisions even more pronounced.

A sore point has been the question of allotting delegates to each union. Some unions are vehemently against the present practice claiming discrimination. Also, allegations of malpractices in the registration of membership of unions, which determine their quota of delegates, have been continuously flung at the TUC.

The conference will have 225 local delegates. The biggest union in the country, the Guyana Agricultural and General Workers' Union will be represented by a 34-man contingent.

From various quarters, both from within and without the movement, the umbrella body has come under severe attacks and criticisms. The most prevalent of the accusation has been the TUC's inability to defend the growing erosions of workers' rights and standard of living.

Others have charged that the TUC leadership has sold out the interests of workers and follows a collaborationist policy so far as the state as the biggest employer is concerned.

In this connection the elections this year to the various positions in the TUC hierarchy will be a keen contest since there has been expressed dissatisfaction with the workings of the present General Council.

The MIRROR in contacting several trade union leaders on the eve of this crucial meet found a long standing unionist violently opposed to a reported meeting between the President of Guyana and unions affiliated to the People's National Congress. This is "scandalous" he said.

Another unionist reiterated his union's position that the workers and their representatives must independently decide the outcome of the conference if trade unionism and workers' rights are to be respected and their weight felt.

General Secretary, J. Pollydore will deliver the main report. The Conference is to be opened by Dr. Oliver Francis, Head of the Caribbean regional office of the ILO. Several other delegates are also to be present.

#### Union Letter on Wages

Georgetown MIRROR in English 19 Sep 82 p 1

[Text] THE Executive Council of the Guyana Public Service Union (GPSU) has taken a decision to write the Trades Union Congress about the rising cost of living and to protest the proposed hike in electricity costs to consumers.

Should this request fail, said PSU President, George Daniels, in a press release, "then the TUC should immediately resume negotiations for increased wages and salaries."

The Union is also to seek a meeting with the Executive President to discuss outstanding matters including the non-payment of increased travel allowances for Public Officers.

The President of the Union also indicated that they will seek a meeting with the Minister for National Development to discuss the Union's request that it be the sole bargaining agent for personnel employed by the Regional Democratic Councils.

The GPSU has also decided to hold a special meeting of the Union's delegates to the upcoming 29th Annual Delegates Conference of the Trades Union Congress to iron out the Union's approach to the Conference.

#### Executive Council Proposals

Georgetown GUYANA CHRONICLE in English 23 Sep 82 pp 1, 8

[Text]

THE Executive Council of the Trades Union Congress is of the view that because of the "evident widening of the political divisions," it would be unrealistic to expect a political solution

to the economic crisis in the immediate future."

General Secretary Joseph Pollydore has circulated at the organisation's current conference a paper dealing with the crisis in

which is expressed the premise that the solution to the country's morale and economic problems must take into account an overwhelming demand for change.

But the Executive Council has given up its insistence upon prior political change in what Cde Pollydore described as "a substantial departure from the Resolution adopted on the 11th and 12th November 1978." In that resolution the necessity for political action had been stressed.

The Executive Council has now come up with a list of proposals and desiderata which include the following:—

- + A need for the restoration of the confidence of workers in the assurances given by government and the TUC.

- + A need for programmes by Government, TUC and other agencies aimed at "developing a new credibility consciousness at all levels of the political system."

- + Taking political partisanship out of vital economic areas.

- + The setting up of productivity committees.

- + Recognition for the Rice Producers Association.

There was also general agreement on the need for foreign investment though not necessarily investment by multinational businesses. The Executive Council proposed the establishment of government-to-government partnerships. They felt that flour should be among a number of priority items to be imported and that there should be no denationalisation.

It was agreed that the private sector should be allowed to play an important and responsible role in the country.

It was felt that "as far as practicable, confrontation with the government should be avoided because in the end the differences must be resolved by discussion."

It was also felt that workers should be made to know that the TUC has done a lot to "represent the need for corrective action by the government" and not be left to fear that the body had been neutralised by the government.

## RULING PNC HOLDS 3-DAY MEET TO MAP 'SURVIVAL STRATEGY'

Georgetown GUYANA CHRONICLE in English 14 Sep 82 pp 1, 8

[Text]

**GEORGETOWN** - The General Council of the ruling People's National Congress Sunday night ended three days of lively discussions during which participants addressed their "corporate mind" to refining a basic survival strategy for the country.

The meeting with a packed agenda featured in-depth discussions on and analyses of the state of the national economy.

The Guyana-Venezuela territorial issue and developments in the bauxite industry were also addressed.

A key aspect of the three-day meeting was Sunday's sessions which paid keen attention to the basic survival strategy and which featured in-depth group presentations and general discussions on food and health, energy, housing, transportation, clothing, production for export, forestry and wholesome entertainment and recreation.

In most cases, papers on these subjects were presented by specially invited professionals. Most of Sunday's sessions were also attended by heads of corporations and government departments, permanent secretaries and other

senior government officials.

In one of his major presentations to the General Council - the highest decision-making forum of the party in between congresses - Party Leader Forbes Burnham pointed out that in spite of the current difficulties there is cause for optimism.

In recent times, he said, there have been several "bright spots" in the economy. These bright spots include Guyana Fisheries Ltd, which under its new leadership, has started to show signs of a remarkable turnaround.

"It is a crisis like this that brings forth our ingenuity and our initiative - indeed, our brilliance" he contended.

In one of his interventions, Party General Secretary Ptolemy Reid expressed similar thoughts: The current crisis, he stressed, is giving Guyanese a golden opportunity to experiment and to create, using the resources at their disposal to promote genuine development.

In addition there were a number of key presentations each forming an integral part of the basic survival strategy.

## JANET JAGAN QUERIES GOVERNMENT ON AGREEMENTS WITH BRAZIL

Georgetown MIRROR in English 12 Sep 82 p 2

[Text] AS President Burnham prepares to depart for a visit to neighbouring Brazil, the Opposition People's Progressive Party is asking the National Assembly to debate a motion about a visit paid to Guyana earlier this year by the Brazilian Minister of Defence. The motion, tabled by Member of Parliament Janet Jagan, was sent to the National Assembly in May, but did not appear on the Notice Paper of the National Assembly until August, after numerous protests, letters and telephone calls.

Speaking to the MIRROR, Mrs. Jagan said that it was unlikely that the motion would be debated before the departure of Mr. Burnham. "In fact", she observed, "the National Assembly rarely deals with current problems and allows an opposition motion to be debated on the average of once every other year." "However", she said, "this motion is important, because the public must have full details on what is going on between Brazil and Guyana, particularly involving the sale of arms, which include rockets and other armaments.

Mrs. Jagan also referred to her attempts while the Amazon Pact was being discussed in Brazil some years ago to have information given to the National Assembly. All efforts failed.

The motion stated: "Whereas during the visit to Guyana earlier this year of the Brazilian Minister of Defence, a number of agreements were entered into between Guyana and Brazil. Be It Resolved that the Minister of Foreign Affairs be called upon to lay all such Agreements in the National Assembly."

CSO: 3298/016



## PPP ORGAN'S EDITORIAL SLAMS PNC HANDLING OF ECONOMY

Georgetown MIRROR in English 12 Sep 82 p 2

[Editorial]

[Text] IT is clear that the PNC government has no interest in the plight of the working people. A government slogan some time ago promised that the "small man will become a real man." Whatever that was supposed to mean, and it can be assumed it meant that workers would be better off, it has fallen by the wayside as have so many of the meaningless slogans put forward by the party, which sits in office on the basis of massive electoral fraud.

THE bitter fact is that the dangerous situation now facing the majority of working people in this country is a result of the mess created by the ruling party. It has consciously removed subsidies and retrenched workers and levied higher taxes at the bidding of the International Monetary Fund (IMF). It has consciously lifted price controls, stopped importing essential foods and allowed the free or parallel market to take over. It has made no effort to find cheap substitutes for the foods banned, restricted or not officially imported. It has made no effort to put price controls on articles that are rising so fast that from week to week it is almost impossible to anticipate how high prices have moved upwards.

BY messing up the economy, by imprudently using up foreign exchange on non-essentials--like extravagant expenditure for overseas trips, specially chartered aircraft, expensive foreign missions and so on, by fouling up local industries like poultry production, to name one, it has consciously upgraded prices.

TODAY, chicken, which was at one time fairly reasonably priced at about \$3.50 per pound, is now selling at \$8.50 per lb! This is because of first, the price rise of stock feed, (IMF diktat) then the limitations on importation of elements required in stock feed and then by restriction of imports on hatching eggs. Today a worker earning \$12 to \$13 per day (if he's lucky to have a job and get the basic pay), has to work two days to buy a 3-lb cricken! Astounding, but true! If he happens to have a family of, say six members, two of whom are children, he would spend almost his whole day's pay to have provisions for breakfast (2 lbs cassava--\$4; 2 lbs plantain--\$3.50 plus oil and fuel) and two pints of milk for his children.

ALL the proteins have gone up--chicken, eggs, beef, fish and lentils. In fact, with split peas gone, there is no cheap substitute and working class families cannot afford the expensive black eye peas which are scarce and sold at fantastic prices.

WITH cooking oil selling at \$5 per pint (instead of \$2) when available and salt moving into the \$2 range, with milk powder scarce as flour and w' . fresh milk hard to get and roving above \$1 per pint, the basics are out of reach of the "small man."

WHY is the government making no effort to relieve the situation? There are no controls now on anything. Whatever the market price demands, that is what the workers have to pay.

WE listen to the PNC ladies speaking over the government radio stations on all the delightful recipes that can be made from what little is available, but these dear high-salaried ladies have their home supplies of goodies which the ordinary workers never see. It's not recipes that are needed, but management of the market--importation of necessities, price control and no restrictions on goods unless there are cheap and available substitutes. The answer is not rice flour which is very expensive and falls far behind wheat flour in all respects. The answer is not in killing the poultry industry which has provided a widely used and inexpensive food protein.

THE poor man has to eat; his children have to have basic foods in order to grow. A stop must be made to this downhill slide into greater poverty, malnutrition and depression!

CSO: 3298/016

## NEW CULTURAL EXCHANGE PACT SIGNED WITH SOVIET UNION

Georgetown MIRROR in English 19 Sep 82 p 3

[Text] THE Soviet Union and Guyana have mutually agreed on a new programme of cultural exchanges for the current 1982-83 period. The programme was signed in Georgetown on September 10 last by Soviet Ambassador Konstantin Kharchev and Permanent Secretary of the Ministry of Economic Planning and Finance, Leslie Johnson.

The programme which covers areas such as scholarships, visits, exchange of information and cultural performances is in accordance with the Agreement on Cultural and Scientific Co-operation between the USSR and Guyana, which was signed in April 1978 on the occasion of the visit to the Soviet Union of the then Prime Minister of Guyana L.F.S. Burnham.

The new programme provides offers of 20 scholarships for Guyanese to study at Higher Educational Institutes in the Soviet Union, and 10 scholarships for the improvement of qualifications.

It provides for the exchange of one to two specialists for a period of up to one month for acquaintance with scientific research, lecturing, etc.

During this year, at a time mutually agreed upon, a group of 20 Soviet ballet artists is expected in Guyana, and next year a group of 25 Guyanese artists will make a return trip to the USSR.

In addition a Guyanese film crew of three persons will attend next year's International Film Festival in Moscow.

The two governments will work towards closer co-operation among the Soviet Tass News Agency, the Guyana News Agency, and the Guyana National Newspapers Limited, as well as exchanges of radio programmes.

CSO: 3298/017

VARIOUS STEPS TAKEN TO ENHANCE PRODUCTION OF RICE

Rehabilitation of Mills

Georgetown SUNDAY CHRONICLE in English 19 Sep 82 p 1

[Text] THE Guyana Co-operative Agricultural and Industrial Development Bank is extending special loan facilities to rice millers for the rehabilitation of their mills to boost the production of parboiled rice.

The loans, which will be processed by the Industrial Project Unit of the Bank, have been made possible through a credit arrangement with the Inter-American Development Bank (IDB). The funds must be utilised only for the rehabilitation of existing mills, the expansion of drying floors and construction of storage bonds.

A senior official at the Bank said that discussions held with Essequibo and Berbice rice millers so far have been heartening

Millers in the two areas have already applied for loans totalling \$7 million (G).

The official said applications are at present being processed so that appraisals could be submitted to the IDB.

Suspension of Equipment Sales

Georgetown GUYANA CHRONICLE in English 21 Sep 82 p 1

[Text] THE Guyana Rice Board has suspended the sale of its agriculture equipment until an accurate assessment of the value of the machines has been made.

Chairman of the GRB Cde Oscar Clarke explained that the sale of the machines was based on "faulty assessments" which were made in the initial stages of the exercise.

The Regional Democratic Councils of Regions Four and Five have already purchased combines and tractors from the GRB.

Cde Clarke said that a team of officers is now involved in assessing the value of the remaining machines. The sale of the equipment will be resumed, the Chairman said, after the team submits a report at the end of the week.

## Parboil Milling

Georgetown GUYANA CHRONICLE in English 22 Sep 82 pp 1, 8

[Text] The Guyana Rice Board (GRB) is expanding its parboil milling facilities in the country so as to increase the production of parboiled rice which is now in demand by overseas markets, GRB General Manager Leon Dundas said.

The Board has brought in boilers for two large parboil installations--one at Anna Regina, which is to begin working this weekend, and another at MARDS where over 65 per cent of construction work has been completed.

These new parboil facilities, Cde Dundas explained, are being established along new methods and techniques so as to guarantee high quality rice.

At the same time the GRB is looking at mills which have changed from parboil to white rice production with a view to up-grading them and switching them back.

The GRB General Manager who made the disclosures while addressing a seminar over the weekend at Corriverton said, "if we are to move back to the production of parboiled rice we have to change some of our strategies and give millers and farmers the kind of incentive and support that will encourage them to produce parboiled rice.

"Guyana is today competing against 18 brands of rice in the Caribbean and the board would like to plant a new variety which will use less fertiliser," Cde Dundas said.

Cde Dundas criticised employees who try to disrupt the Board's operation and called upon them to 'pull their weight.'

He said the machinery has been set up to ensure that farmers are paid promptly and appealed to those concerned to avoid delays.

The four-day seminar for shop stewards, branch officers, and supervisors of the GRB at the Corriverton Town Hall had as its theme "Consolidation of our Grains and the Achievement of Higher Targets." It was sponsored by the General Workers' Union and the Guyana Rice Board.

## Combine Battery Imports

Georgetown GUYANA CHRONICLE in English 24 Sep 82 pp 1, 5

[Text] Guyana Rice Board Chairman, Oscar Clarke has said that government will import more than 12 000 batteries for rice combines and other agricultural machinery within the next two months.

Responding to complaints from rice farmers at Leguan, the GRB Chairman gave the assurance that efforts are being made to acquire batteries urgently for farmers who are badly in need of them.



Cde. Clarke met with the farmers at the Leguan District Council Office Wednesday and discussed the GRB's decision to cease ploughing farmers' lands and harvesting their crops.

The reaping of the present rice crop and projections for the 1982-83 first rice crop were also discussed.

The Farmers took the opportunity to ask that their paddy be weighed and sampled on arrival at the Leguan stelling before being transported to the GRB Wakenaam silos.

Farmers complained that during the long delay at the stelling their rice is damaged by rodents and by water at high tides. There were also complaints about pilfering at the wharf.

CSO: 3298/019

## PROBLEMS IN RICE INDUSTRY; GOVERNMENT SEEKS DECENTRALIZATION

## Inoperative Mills

Georgetown MIRROR in English 19 Sep 82 p 1

[Text] THERE has been a sharp decrease in the number of rice mills in recent years which has caused severe problems to the industry as a whole and is one of the factors responsible for the state of ruin of that important area of economic activity.

Sources close to the Guyana Rice Board have disclosed that out of a total of 136 mills (Single and Multi-Stage) in the country's rice belt approximately 50 are out of operation for various reasons. Mills that have been dismantled total 31. It means that at present there are 86 mills involved in production. Many of these need urgent attention, repairs and rehabilitation.

In terms of capacity, both Guyana Rice Board mills and private mills can produce a total of over a hundred tons per hour. Of this amount private mills account for over 60 percent.

Of the operating mills 41 are situated in Berbice with a capacity of 40 tons per hour; 27 in Demerara with a capacity of 45 tons per hour; Leguan and Wake-naam--13 mills with a capacity of 12 tons per hour and the Essequibo Coast--5 mills with a capacity of 10 tons per hour.

Also out of the 86 operating mills, 55 are multi-stage of which almost 50 per cent are located in East Berbice. At the same time, according to the source, there are 12 single stage and 7 multi-stage mills not operating in Berbice.

It is also understood that the Guyana Rice Board intends to sell out some of its mills to private millers, co-operatives or regional organisations. These mills to be sold are at Belmonte, Somerset and Berks and Dundee.

## Rice Board Decentralization

Georgetown MIRROR in English 19 Sep 82 pp 1, 4

[Text] THE PNC regime has tabled a Bill in the National Assembly seeking to de-centralise the Guyana Rice Board. This matter was mooted some weeks ago to

officials of the Rice Producers' Association who were meeting with GRB officials to discuss the crisis in the rice belt. The RPA suggested many ways in which production and farmers' income could be increased. The RPA also demanded substantial representation on the Guyana Rice Board so as to be in a better position to look into the farmers' interests.

MIRROR was told at that time that some of the RPA's suggestions were accepted by the GRB management, and that they would be submitted to cabinet for decision. The Bill now before the House includes a provision under which nominees of the RPA could be appointed to the Regional Boards to be set up. There is however no indication in the Bill of similar intent where the Central Board is concerned. Rice farmers and the RPA are agitating for the Central Board to be fully handed over to the RPA to manage.

Under the Bill the GRB (Central) will have the power after consulting with the Minister to establish a Regional Rice Board in each Region of the country. Each such Regional Board shall consist of "not less than 5 persons appointed by the Board from among persons appearing to the Board to be qualified for appointment as being bona fide rice farmers; and

"Not more than 5 other persons appointed by the Board from among persons appearing to the Board to be qualified for appointment as having had experience in matters relating to production, manufacture and marketing of rice or to agriculture, industry, the co-operative movement, local government, administration or commerce."

The above second clause is expected to be used by the regime to pack the Regional Boards with docile party hacks. The GRB is not empowered to make appointments, or even name a Regional Board chairman or secretary unless it is first cleared by the Minister responsible for Agriculture. In this respect it is Hamilton Green whose signature is on the Bill.

The regime is already in the midst of a process of selling off GRB machinery, dismantling superstructure and handing over commercial activities to financial outfits. These changes are expected to increase production costs to farmers. The Board's chronic deficits and losses are being shifted by these measures onto the backs of the farmers and consumers.

#### Supply Shortages

Georgetown MIRROR in English 19 Sep 82 pp 2-3

[Text] RICE vendors in the Georgetown municipal markets, and small retailers elsewhere in neighbourhood shops are worried over the attitude of Guyana Rice Board officials where selling the commodity to them is concerned. They told the Mirror that they are experiencing great hardships and discrimination in obtaining supplies to sell to consumers. Preference is being given by the officials to the big dealers like Guyana Stores; the KSI; Co-op Complex, some favoured co-op shops and supermarkets.

Small traders are thus forced to wait until all the big dealers have had their share and left, before they are attended to, despite the fact that they may

have had their share and left, before they are attended to, despite the fact that they may have been on site all night waiting their turn. On many occasions, they are turned away empty to return next day. It is understood that truckers and cartmen retained by the small traders usually spend the night at the GRB Georgetown centre in the queue to obtain rice. In the mornings however, the big dealers are given first preference although they were not in the queue all night.

The small traders are irked over this attitude of the GRB officials and are demanding a change in their interest. The vendors are also demanding an increase in the quotas given them by the GRB, and are calling for a better system of selling so as to avoid congestion. They suggest different days for different categories of buyers

CSO: 3298/017

## SUGAR OUTPUT EXCEEDS GOALS; 'MIRROR' SAYS FIGURES FUDGED

Continued Production Highs

Georgetown SUNDAY CHRONICLE in English 19 Sep 82 p 1

[Text]

DESPITE some mechanical problems and stoppages of work, the sugar industry has again surpassed the ten thousand ton sugar production mark last week and for the third consecutive occasion this crop.

The industry achieved 10 775 tons of sugar which exceeded the week's target by 705 tons. Last week's production has maintained the industry in its lead ahead of its Second Crop target by 4 300 tons since the industry was scheduled to produce 79 635 tons to date for the current crop.

The year's production now stands at 170 790 tons sugar.

Six estates Albion, Rose Hall, Enmore, Diamond, Wales and Leonora surpassed their targets while Skeldon, Blairmont and Uitvlugt achieved their targets.

The Honours Roll now reads:

Skeldon 5 achievements;  
Albion 7 PM 8  
achievements; Rose Hall,  
5 achievements; Blair-  
mont, 9 achievements;

Enmore, 7 achievements;  
LBI, 7 achievements;  
Diamond, 5  
achievements; Wales, 5  
achievements; Leonora,  
7 achievements; and  
Uitvlugt, 8 achievements.

The week's performance was, however, marred by unfortunate work stoppages at Enmore which could have achieved a higher production level had it not been for that production impediment.

The corporation has again stated that optimum use must be made of the good harvesting conditions while reminding cane harvesters that their function is essential to the achievement of targets and consequential incentive awards.

The corporation has reiterated its call for the use of the established grievance mechanism for the settlement of dissatisfactions and has reminded workers of Guysuco's motto of "Co-operation and Consultation not Confrontation".



### Target Revisions

Georgetown MIRROR in English 19 Sep 82 p 4

[Text] SUGAR production has reached 160,015 tons at the week ending September 11. According to Guysuco the second crop is going well and making up for serious shortfalls registered during the last crop.

The industry still has to produce some 120,000 tons more in order to reach its revised target of 280,000 tons. The government, as indicated in the 1982 budget, set the year's target at 335,000 tons but this figure was quickly and quietly reduced by 55,000 tons.

The Guyana Sugar Corporation, one of those that had a huge deficit, is expected to run into more trouble as the slump in sugar price in the world market continues. Recently the central government assumed all the debts of Guysuco so as to clear the decks to allow more borrowing.

CSO: 3298/018

## BRIEFS

**CUBAN EMBASSY ASSIGNMENTS--**THERE are some new faces in the diplomatic staff of the Cuban Embassy in Guyana. They are Lt. Col. Hartle Thomas, the new Military Attache; Selipe Ruiz, Counsellor; and Luis Alvarez, Economic Advisor. Senior diplomat Guillermo Batista, the Cultural Officer; has now taken over as Press Attache. [Georgetown MIRROR in English 19 Sep 82 p 4]

**CUBAN ASSISTANCE--**THE close collaboration between the governments of Guyana and Cuba continues. Twenty-three doctors, many of them specialists, seven Spanish teachers and one dance and one guitar professor are now here as part of an assistance programme which has been in force since 1976. Economic attache Luis Alvarez told 'The Chronicle' recently that in the present agreement Guyana can also send at least 14 patients to Cuba for specialised medical treatment. In Guyana, he continued, doctors are attached to outlying areas such as Mabaruma and New Amsterdam. [Excerpt] [Georgetown GUYANA CHRONICLE in English 23 Sep 82 p 4]

**MILK PRODUCTION CUTBACK--**The Georgetown Milk Plant has been forced to cutback its daily output of pasteurised milk by about 10 per cent because of a limited supply of skimmed milk powder, Managing Director of the Livestock Development Company (LIDCO) Noel Holder said yesterday. Reduced supplies from local small dairy farmers have also adversely affected production levels at the milk plant, he explained. In spite of the reduced production, the milk plant is trying to continue supplying agents throughout the country, Cde Holder said. A shipment of 250 tons of skimmed milk powder is due to arrive in the country by October 10 and this will allow for a resumption of full production. Cde Holder explained that the shipment which should have arrived in the country at an earlier date, was delayed because of the limited number of boats coming into Georgetown. [Georgetown GUYANA CHRONICLE in English 24 Sep 82 p 1]

**MISSING EDITORIALS--**GEORGETOWN Guyana Monday (CANA)--Editorials have stopped appearing in Guyana's only daily newspaper, the state-owned Chronicle and the Catholic Standard weekly has quoted the daily's general manager Frank Campbell as saying the reason is a "lack of space." Two months ago the Chronicle explained that because of foreign exchange difficulties in obtaining newsprint from abroad, it was being forced to reduce its daily edition to eight pages and its Sunday edition to 16 pages. The Sunday Chronicle continues to carry comments by Sunday editor Charles Chichester, and articles by regular columnists Carl Blackman and Lionel Luckoo. [Bridgetown ADVOCATE-NEWS in English 14 Sep 82 p 3]

## FINANCIAL COOPERATION AGREEMENTS SIGNED WITH FRG

Port-au-Prince LE NOUVEAU MONDE in French 10 Oct 82 pp 1, 7

[Article: "Signature of 4 Agreements on Financial Cooperation Between the German and Haitian Governments"]

[Text] Secretaries of State Jean Robert Estime, from the Ministry of Foreign Affairs; Claude Weil, from the Ministry of Planning; Alix Cineas, from the Ministry of Public Works; and Frantz Merceron, from the Ministry of Finance, yesterday [9 October] signed four agreements on financial cooperation between the Haitian government and the government of the Federal Republic of Germany, in the Pas Perdue Salon of the Haitian Ministry of Foreign Affairs. The Federal Republic of Germany was represented by its ambassador, Fritjos F Von Nordenskjold.

These agreements concern the construction of the port at Cap Haitien, involving a financial contribution of DM 17 million; DM 3 million for the provision of drinking water and basic sanitary facilities in provincial cities; DM 3 million for feasibility and other expert studies; and the transfer of funds initially intended for the Delmas II project to four other projects: The port at Cap Haitien, the hydroelectric power station at Saut-Mathurine, providing drinking water to Gonaives and Saint-Marc, and the hydroelectric power station and electricity distribution network in the city of Jacmel. The total for the four projects is DM 15,632,151.55.

The DM 15,632,151.55 which the Republic of Haiti will obtain from the Kreditanstalt für Wiederaufbau (Reconstruction Credit Institute) will be divided as follows: DM 5 million to add to the funds available for the project for the development of the port of Cap Haitien, which will eventually cost DM 17 million; DM 5.5 million to increase the funds available to the project for the construction of the hydroelectric power station at Saut-Mathurine, which will eventually cost DM 15.5 million; DM 1.5 million to increase the funds available for the project to provide drinking water to Gonaives and Saint-Marc, and which will eventually cost DM 5 million; and DM 3,632,151.55 for the project for the construction of the hydroelectric power station and electricity distribution network in the city of Jacmel.

Once the reading of the articles covering the provisions of the loan was over, the personalities mentioned above signed for their respective governments, an action which signified the official entry into force of the loan. This demonstrates the desire of the Federal German government to expand its friendly relations with the Haitian government, "at a time when other countries have a tendency to neglect our little corner of the earth."

"I will do everything in my power to ensure that the image of Haiti will be as objective as possible in Germany," stated Ambassador Von Nordenskjold, after having reviewed Haitian-German cooperation and clarified the policies of the Federal Republic of Germany toward the countries of America and of the Caribbean.

A toast was made to the prosperity of Haitian-German cooperation.

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CSO: 3219/12

## GOVERNMENT ANNUAL PLAN FOR 1982-83 DISCUSSED

Port-au-Prince LE NOUVEAU MONDE in French 28 Sep 82 pp 1, 8

[Article: "Details of the Annual Plan for 1982-83"]

[Text] The Annual Plan for 1982-83, which was recently presented before the Legislative Chamber of Minister Claude Weil, is an annual operative segment of the 1981-86 Five-Year Plan. It has been affected by the problems created by the international economic recession, but it has time to recover over the medium term.

At present we can either keep to planning imperatives, in which the objectives of the plan are set out for the different units of production, or to keep indicative planning. In the latter case companies are not required to follow the directives of the plan. Their investment decisions result from their own evaluation of the situation, in the framework of a market economy in which the state has its own means of intervention. Such a plan is essentially supply.

The government intends to assist the Haitian economy to recover by means of production programs which will lead to self-sustaining expansion, with adjustments of the various structures to ensure continuity. This particular aspect, as defined by Minister Weil, explains the movement toward the kind of general participation the government is counting on in basing its efforts to overcome the obstacles presented by our state of under-development.

In this connection the minister has expressed public appreciation to the international community, which has continued to support the recovery policies of the government. He has emphasized the recent agreements made with the International Monetary Fund the decisions and resolutions of the Franco-Haitian Mixed Commission, the Caribbean Group, the Latin American economic system, and the good will missions which have visited Haiti in the course of this year.

External assistance, and this should be stated, is more evident at this time, compared to last year. Under the form of loans and gifts Haiti should receive financial assistance amounting to 703,868,000 gourds, which amounts to an increase of eight percent, compared to last year.



In addition the new regionalization law already signifies the new economic orientation of the government, which is participating in the management of companies, both those in the state enterprise as well as the private sector. The new orientation is breaking out of the old routines and is promoting competition at the regional level in a process of inter-relationships where the exchange of information is encouraged in order to avoid the segmenting of activity which is harmful to the development of production.

If the present plan can be considered to be indicative plan, it nevertheless contains the means of revising possible thought-after objectives and of making required changes in terms of the situation.

It is still a fact that our administrative system is steadily moving away from the spirit of bureaucracy, so that the national plan will be the reflection of an appropriate general policy and will implement the government's philosophy of action based on definite priorities and the necessary adjustments.

This is why the forecasts of the ways and means contained in the annual plan will be implemented in the following way:

- a) Agriculture, 16.4 percent
- b) Mines, 0.8 percent
- c) Industry, 2.6 percent
- d) Energy, 18.3 percent
- d) Provision of potable water, 3.9 percent
- f) Tourism, 0.2 percent
- g) Transportation, 16.4 percent
- h) Communications, 3.03 percent
- i) Urban development and housing, 14.5 percent
- j) Education, 4.99 percent
- k) Health, 8.0 percent
- l) Social affairs, 0.5 percent
- m) Community development, 7.0 percent
- n) Youth and sports, 0.2 percent
- o) Statistics and information systems, 0.4 percent
- p) Other administrative activity, 2.9 percent

5170

CSO: 3219/12

## EDITORIAL CALLS FOR TIMELY U.S. ECONOMIC AID

PA022035 San Pedro SULA TIEMPO in Spanish 24 Sep 82 p 6

[Editorial: "Economic Aid Should Also Be Timely"]

[Excerpts] Stephen Bosworth, U.S. deputy assistant secretary for inter-American affairs, has stated before the U.S. House of Representatives Subcommittee on Inter-American Affairs that "the Cuban and Nicaraguan Marxist-Leninist regimes together with their guerrilla allies in El Salvador" are responsible for terrorism in Honduras, particularly referring to recent attacks.

Michael Barnes, chairman of the subcommittee, voiced his concern "over the escalating military aid for Honduras, which this year has reached \$8.9 million as compared to \$3.8 million in 1980." Barnes also said that the meeting had been convened in view of the disturbing feeling "that we are heading toward a regional war, in which Honduras would be the catalytic factor."

As in chemistry, the term "catalytic" should be interpreted in this case as the bodily function that accelerates reaction. Consequently, it is evident that there is continual concern at the U.S. House of Representatives for the warmongering role assigned to Honduras as part of the Reagan administration's policy in Central America.

Also, as usual, the Reagan administration officials focus on the aspect of communist intervention in the Central American problems only when it is already too late, and a military solution, an arms race, is the only possible solution.

The Reagan administration's hesitation about Honduras prevents it from determining that what this country needs in order to overcome communist blows is more economic aid for development, rather than military aid, and that this aid must be received on time.

Despite the many arguments and explanations provided, it fails to understand that the most urgent economic and social problems must be solved, and that the arms race path makes it more difficult to correct these deficiencies, which serve the communists' purposes.

This is why Bosworth's point of view is out of focus, while Barnes, the Inter-American Affairs Subcommittee's chairman, has a more realistic perception.

COMMENTATOR LOOKS AT COMMUNIST INFLUENCE IN PNP

Kingston THE DAILY GLEANER in English 20 Sep 82 pp 8, 13

[Article by Carl Stone: "PNP and the Communists"]

[Text]

THE PNP IN RECENT WEEKS has embarked on some rather dramatic gestures designed to indicate great political distance from local communists. Much publicity has been given to the decision not to invite the WPJ to the PNP party conference and the party chairman has made it clear that the PNP wishes no communist presence within its membership. It seems to me however, that the issue of the communists and the PNP is far more complex than these gestures suggest.

Between 1972 and 1975 the local communists were more hostile to Manley and the PNP than to the JLP because of the feeling that both were competing for the same urban youth support. Manley at that time was defined by them as representing one section of the local capitalist class.

An accommodation developed between the PNP and the communists due mainly to the Manley Government's pro-Cuban foreign policy and the refusal of the Cubans to support the local communist campaign against the PNP.

The Third World foreign policy of Manley and his political battle with the local private sector cemented what began as a mere truce between the PNP and the communists but developed over time into a firm alliance consolidated by common goals of trying to undermine the JLP. Tensions between the two continued, however, as the communists maintained sharp public criticism of leaders of the party while supporting Manley and other individual leaders who were seen as progressive.

## Far reaching impact

The PNP link with Cuba had a far reaching impact on the PNP. Marxist ideas grew within that party influenced greatly by the connection with Cuba and the fascination with the Cuban Revolution. Within the PNP itself both at the level of leadership and rank and file membership a radical Marxist tendency took firm root. In the peak of the PNP's popularity in the 1976-77 period this ideological tendency was estimated by me as representing some 18% of the electorate, or slightly less than a third of the PNP's mass base.

More importantly, they represented the most enthusiastic pro-socialist tendency in the party, the hardest workers, the most uncompromising JLP haters and the grass roots support that would most stick to the party through thick and thin. Serious tensions developed between these new wave PNP activists and leaders in the PNP's second term and the more traditional PNP members, activists and leaders.

The division inside the PNP was exploited by forces hostile to the party. Notwithstanding all the rhetorical noises about unity in the party, the fact is that the ideological divide inside the PNP has been a major source of weakness.

Now as the more Marxist inclined tendency developed inside the PNP, the communists outside the party were able to exercise great influence inside the PNP. They had close personal connection with the left inside the party and although a certain amount of mutual distrust was always there, there was a feeling of having a common stake in moving the PNP to the left, in weakening the traditional moderate PNP leadership, and in trying to destroy the credibility of the JLP as being a big man, CIA party.

As a socialist party promoting ideology the PNP lacked a cadre of top flight, loyal party intellectuals who could formulate the correct ideological doctrines to guide progressive change. The University based local communists assumed an importance far greater than their small numbers by providing some of the intellectual leadership and the manpower needed by the PNP to develop its ideological arm. The PNP in effect became dependent on intellectual supporters who were not party loyalists and were willing to denounce the party any day it seemed to them to be not progressive enough. Some have done so since the 1980 election.

## Brilliant idea salesman

Manley is a brilliant idea salesman but neither he nor his second level leaders have developed into deep socialist thinkers. The University based communists have therefore had a field day exercising intellectual influence over the radical one-third of the PNP's mass base.

By 1980, communism and the Cuban connection became a liability at the polls. Many Jamaicans (over 60%) have assimilated anti-communist ideas and the

silly aggressive antics of Senor Estrada merely played on latent communist fears in the society. In 1980 communism was associated with violence, disorder and the threat of being brought under a foreign dominated government. The issue helped the JLP with defection from PNP moderates but it would not have had any great impact but for the decline of the economy and living standards, both of which increased doubts about the PNP leadership.

Once the PNP was voted out, fears about communism and Cuba dissipated as the agenda of concerns moved from ideology to economics. Consequently my polls showed that the JLP break with Cuba was not a very popular move as most voters no longer felt threatened by the Cubans and did not see any gains coming from such a move. Most voters wanted Estrada recalled but did not see the need to go the extreme of a break with Cuba.

Over 70% of the national sample told our interviewers in early 1981 that they would prefer to see the PNP disconnect from an association with the WPJ. The PNP moves in this direction follows this sentiment and that party's own diagnosis that WPJ efforts to help the PNP in the 1980 election cost the party some votes. To be sure some votes were gained from communists campaigning for the PNP and there is real doubt in my mind how much the WPJ really contributed to the JLP landslide victory.

## Crafty electoral strategy

A symbolic distancing from the WPJ might be crafty electoral strategy but it really papers over some more fundamental issues. The WPJ were no more a liability to the PNP than sections of the left in the party. The singling out of the marxists outside the party glosses over the continuing deep divisions inside the party. The moderates fled to the JLP in 1980 but the leftists stood firm. Should that not count for something? Underlying much of this problem is the issue of indiscipline in the party which has aggravated the ideological divisions. With a little more discipline the ideological divisions in that party would be both tolerable and compatible with a strong sense of political unity. The indiscipline is aided by an overdose of leadership opportunism that tends to cannibalise each other over short term power games at the expense of the long term interest of the party.

The country needs a strong and politically unified PNP to guard against the excesses and abuse of power that are inevitable where a governing party is allowed to win 51 parliamentary seats and control of all parish councils. The JLP is already choking on this overdose of power and the PNP should cease playing symbolic games with the WPJ and settle down to re-organising itself into a strong and viable alternative party in which its plural ideological tendencies can discover a sense of unity.

Making scapegoats of Munroe and the communists is quite irrelevant to that task.

## SEAGA CALLS FOR RESTRUCTURING OF SUGAR INDUSTRY

## Need for Viability

Kingston THE DAILY GLEANER in English 17 Sep 82 p 1

[Text]

**T**HE TOP MANAGEMENT of the sugar industry has been instructed by the Prime Minister, the Rt. Hon. Edward Seaga, to speed up the process of restructuring the sugar industry and to get on with the job of making it efficient and viable.

The instructions were given at a meeting held at Jamaica House yesterday afternoon, when the sugar industry leaders were told that the financial problems of the industry could no longer be a burden on the public purse.

Present at the meeting with the Prime Minister were: Mr. Anil Sangster, a Parliamentary Secretary in the Ministry of Agriculture; Mr. Deryck Dyer, Permanent Secretary in the Ministry; Mr. Trevor Donaldson, Chairman of the Sugar Industry Authority; Mr. Frank Downie, S.I.A. Manager; Mr. Evon Brown, of the National Sugar Company; Mr. Owen Clarke, of Worthy Park Sugar Company; Messrs. Robert and David Henriques, of New Yarmouth Sugar Company; Mr. John Fringle, Chairman of the Jamaica Commodity Marketing

Company, the London-based subsidiary of the Jamaica National Export Corporation and Mr. Frank Tomlinson, of Tate and Lyle, London, England.

The Gleaner understands that there was a suggestion that the seven sugar factories now operated by the National Sugar Company should be placed under separate and independent management, but that there was no decision on the proposal.

Some weeks ago the Minister of Agriculture, the Hon. Percival Broderick said at an awards function for cane-cutters that the Government was committed to the concept of preserving and developing the industry towards viability as an essential factor to the social and economic life of the country; and that the industry had to become viable in the shortest possible time.

"But one cannot invest in confidence alone. A number of studies have been carried out to determine what restructuring needs to be done in order to achieve the objective of viability. Since the industry has no money with which to carry out these programmes, those who exercise control over the administration of the country will have to be influenced to invest money in sugar so as to secure the potential benefits the industry offers," the Minister said.

Those who attended the Jamaica House meeting yesterday were tight-lipped about what took place, and efforts to secure a statement from the Prime Minister's Office were fruitless.



## Moratorium on Costs

Bridgetown SUNDAY ADVOCATE-NEWS in English 19 Sep 82 p 3

[Text]

**KINGSTON, Jamaica, Saturday, (CANA) —** JAMAICA'S Prime Minister Edward Seaga, yesterday called for a two-year moratorium on costs in the island's important sugar industry, warning that a failure to attain this could well mean its collapse.

"If the industry is to survive it must have a moratorium on costs over the next two years," the Prime Minister told reporters here.

The Prime Minister noted that there was a wide differential between the cost of sugar production here and the price at which the product was sold.

He said the Government "could not continue to provide funds to close this deficit" and a higher retail price for sugar was running into consumer resistance.

In light of this, Mr. Seaga added, the moratorium on costs was necessary, and hoped that "all other elements will heed the call."

Mr. Seaga's remarks were clearly directed at cane farmers and the two big unions here, the National Workers' Union (NWU) and the Bustamante Industrial Trade Union (BITU), who between them represent the estimated 50 000 people employed in the industry.

Workers would be expected to forego pay increases over

the period and the farmers to go without a hike in the price for canes sold to the factories.

Cane farmers last year, as an incentive to increase production, received a 45 per cent hike for the crop, workers did not get a wage increase, but they were guaranteed a 10 per cent end of the crop bonus on sugar production of up to 215 000 long tons, with an additional one per cent for every 2 000 tons after the 215 000 ton mark.

Output from this crop was 200 000 tons, the same as in 1981, and Mr. Seaga said that it could be taken that the slide in the industry had halted.

He said that as part of the revitalisation programme for the industry, Gulf and Western, an American company, had done a management and financial audit of the sugar factories here, pointing out where there had been over-expenditures and showing ways to streamline operations.

Inputs lacking for several years were now firmly in place, and it could be expected that there would be a substantial increase in output during the next crop, which is to start in December.

However, the consolidation of these and efforts to push sugar production back up to 300 000 tons by 1984-85 could be defeated if the cost moratorium in the industry was not accepted.

CSO: 3298/021

## BAUXITE FIRMS DENY LAYOFF REPORTS, HEDGE ON SHUTDOWN

Kingston THE DAILY GLEANER in English 22 Sep 82 p 1

[Text]

Two bauxite companies yesterday denied reports that they were laying off staff but a third declined to confirm or deny reports of an imminent closure of operations here.

Spokesman for Reynolds Jamaica Mines Ltd. yesterday declined to confirm or deny reports of the imminent closure of their operations here. Kaiser Bauxite Company and Alumina Partners of Jamaica (ALPART), denied that they will be laying off staff in an effort to cope with the recession in the bauxite/alumina industry.

The Gleaner understands that Reynolds is discussing its production for the rest of the year with Government, and when those talks are completed there will be meetings with the workers, and a press conference.

General Manager of Reynolds Mr. Don Phillips, was not available for comment but spokesman for the company said that they could neither confirm nor deny the report. They said that Mr. Phillips' earlier statement that he could say nothing while the Company was having talks with Government still applied since the talks were not yet concluded.

Reynolds, which employs approximately 600 workers is the major supplier for the 1.6 million tonnes stockpile agreement with the USA, and the last shipment under the agreement is scheduled to be made this month.

A KAISER SPOKESMAN told the GLEANER that the Company had not issued any statement to the media concerning lay-off of 200 workers. The various reductions in the parent company would have a resultant effect on the local company, but "the total impact is still being measured".

"We won't know until another week or two since it is quite a lengthy process", the spokesman said. Kaiser's examination would involve looking at what the company needed to operate at a certain level but any decisions reached would not be done on a unilateral basis.

The spokesman said that Kaiser had not reduced its staff since 1975, and had tried to keep on even keel throughout the recession. He confirmed that the parent company Kaiser Aluminium was reducing capacity by 26 per cent and that the local company is expected to reduce capacity to 40 per cent and production by 20 per cent.

Kaiser has a capacity to produce 5 million tonnes of bauxite.

THE ALPART spokesman also denied that the company was considering further lay-offs at this time. In June of this year some 350 hourly and salaried workers

were laid off with the downturn in the industry but the company was not contemplating another such cut back in staff.

He described reports that the company would be laying off 200 workers as "pure speculation" and said that Alpart had written a letter of protest to Radio Jamaica for airing a report "without any basis".

The company was not engaged in discussions about lay-offs and was concerned at the effect of such reports on the morale of the 1,200 persons in their workforce.

He said that two or three of their parent companies had "taken the worst of it" in the recession and the cut back of 50% was made earlier in the year. The company has a capacity to produce 1.1 million tonnes of alumina but since the cutback, only one of the three digesters was being used to produce 600,000 tonnes per year.

A JAMAICA Bauxite Institute (JBI) spokesman told the GLEANER that given the world aluminium crisis, one could "minutely expect further cut-backs" in the local industry but it was not possible to say much more than this.

A release from the JBI dated September 15 said that Jamaica's first half bauxite output fell 26.7 per cent from first half '81, and projections for the full year now stood at 9 million tonnes, 2.6 million tonnes less than last year's figure -- "despite the delivery of 1.6 million tonnes to the US Government stockpile and other barter sales deals which are being pursued strenuously by the Jamaican Government." Further declines were "certain this year with reports of cutbacks at mines and refineries filtering in from producing countries to the International Bauxite Association, the release said "Haiti which used to export 600,000 tonnes of bauxite a year, may go out of the business altogether when Reynolds, the sole producer, closes its operations there in a few weeks time".

CSO: 3298/021

## PNP CONFERENCE HEARS REPORT ON SHAKY FINANCES PICTURE

Kingston THE DAILY GLEANER in English 22 Sep 82 p 14

[Text]

**THE PEOPLE'S NATIONAL PARTY**

AL PARTY's 44th conference discussed what it said were attempts by the Gleaner and other sections of the media to manipulate the party into getting rid of certain comrades and the attempt was firmly rebuffed, General Secretary Dr. D. K. Duncan reported Sunday.

Giving his annual report to the conference, Dr. Duncan said that the delegates and observers at the conference resoundingly and in full acclamation supported the Secretariat of the party under his leadership.

Speaking on the absence of former vice-president, Mr. P. J. Patterson, who did not seek re-election nor attend any of the conference's private or public sessions this year, Dr. Duncan said that Mr. Patterson had informed the party that he would be off the island.

He said that the party affirmed that it remained "unrepentant" democratic socialist under the lead-

ership of Mr. Michael Manley.

He said that the delegates approved that one of the major tasks of the next year is that it must solve the problem of financing the party.

Dr. Duncan said that some traditional sources of finance had dried up because the party remained "unrepentant" democratic socialist.

Dr. Duncan said if the party is to have a certain kind of leadership, programme and ideology it will have to be funded by a certain kind of people.

Dr. Duncan said: "Over the next year what is going to decide the fate of the ideological direction of this country through the PNP is the ability of the working people of this country to finance it. If we can't finance it ourselves, then the big man is going to run the People's National Party, and the big man cannot speak on behalf of the interest of the working people of this country."

CSO: 3298/021

## WEST GERMANY AFFIRMS CONTINUED ASSISTANCE LEVELS

Kingston THE DAILY GLEANER in English 22 Sep 82 p 11

[Text]

The Federal Republic of Germany is pleased to be participating in Jamaica's efforts at economic development, and will endeavour to maintain its current level of assistance to Jamaica in the future despite the difficulties presently being experienced in the German economy.

This assurance was given by the Minister for Economic Co-operation, Mr. Rainer Offergeld, to Jamaica's Ambassador to Bonn, Mr. Glaister Duncan, when Mr. Duncan paid a courtesy call on the Minister a news release from the Jamaica Information Service said.

During the visit they reviewed various aspects of the German-Jamaican economic co-operation agreements and the technical assistance programmes. They also discussed global economic issues, including development assistance policy towards

the Third World.

The Ambassador brought the Minister up to date on Jamaica's economic recovery programme, and the progress which was being made in this regard despite the global recession.

They also discussed the Caribbean Basin Initiative, and the selection of Jamaica as the site for the International Seabed Authority, and the opportunities which these would hold for Jamaica.

Mr. Offergeld visited Jamaica twice this year, first in March and again as a member of the delegation which accompanied the Federal German President His Excellency Professor Karl Carstens during his State visit in April.

On the second occasion, he signed agreements for DM 54 million (about J\$37.6 million) of German financial and technical assistance to Jamaica.

CSO: 3298/021



## GARMENT INDUSTRY DEVELOPMENT PLAN GIVEN BOOST

Kingston THE DAILY GLEANER in Eng'lish 22 Sep 82 p 15

[Text]

An \$18 million development plan for the garment and sewn-product industry got into high gear with the signing of two contracts yesterday by the Minister of Industry and Commerce, Hon. Douglas Vaz.

The four to five year package for the garment sewn products and embroidery sub-sector involves the establishment of some 20 factories, training of personnel and development of marketing strategies.

Signing on behalf of Kurt Salmon Associates, the marketing consultant which recently completed a survey on the local garment industry, was Vice-President Mr. Dean Vought. The Singer Company which will embark on the training of machine operators shortly, was represented at the signing of the contracts by Vice-President Mr. Robert Sumwalt.

Outlining the development plan for the garment industry, Mr. Vaz announced that a new company, the National Investment Company was established earlier this month with responsibility to implement and monitor the development of the garment industry. NIDCO will also be responsible for the implementation of development plans for the six other sub-sectors named in the Government's strategy for structural adjustment.

NIDCO will implement and monitor programmes in the footwear, agro-products and processing, automotive accessories, building and construction, electrical and electronic products, and furniture and wood products sub-sectors.

The Minister of Industry also announced the appointment of Permanent Secretary, Mr. Warren Woodham as the Executive Director of NIDCO.

He further stated that intensive training will be undertaken by Kurt Salmon Associates and Singer Company to train a local cadre in management skills, accounting, industrial engineering, and machine operating. Trainees will be recruited under the H.E.A.R.T. programme, he added.

The programme will be carried out at Marcus Garvey Drive in Kingston, where the factories are already under construction on location at the Jamaica Industrial Development Complex. Preparation of the site and buildings is expected to be completed within 90 days, according to the Chairman of J.I.D.C. Mr. Charles Henderson-Davis. He further disclosed that this preparation was likely to cost some \$3/4 million.

For the embroidery programme, Singer Company will train people who will in turn be used as trainers in

the field to stimulate cottage industries. The embroidery programme will fall under the Things Jamaican Development plans.

Commenting on the plans for the garment industry, Mr. Sam Mahfood, Chairman of the National Garment Development Council, said this was the first time that an industry has been identified and targetted very carefully for a particular market. The market surveys done by Kurt Salmon Associates were in respect of North America and Europe.

Mr. Vought added that if Singer and Kurt Salmon Associates can successfully implement the programme, it would result in greater employment opportunities for Jamaicans as well as show the numerous countries which are presently looking on activities in Jamaica, what the country can do. "Quality and productivity" must be the watchword, he said.

CSO: 3298/021

## MANUFACTURERS VOICE OPPOSITION TO DOLLAR DEVALUATION

Bridgetown ADVOCATE-NEWS in English 18 Sep 82 p 3

[Text]

KINGSTON, Jamaica, Friday, (CANA) — The Jamaica Manufacturers Association (JMA) has come out strongly against any devaluation of the Jamaica dollar at this time, saying that the assumption on which the proposal was being canvassed by economists here was weak.

"The Jamaica Manufacturers Association is against devaluation at this time," president Anthony Williams told his monthly board of directors meeting, adding:

"It is our view that rather than devaluation, the people of this country would like to see a continuation of measures to control inflation and more efforts being made to increase production and exports as a means of correcting any imbalance which may be evident now."

The Jamaica dollar is fixed at \$1.78 against the U.S. dollar, but many economists have argued that the currency is overvalued, a view that has also been promulgated by the deputy head of the United States Agency for International Development (USAID) here, Frank Morris.

Despite a statement early in the year by Prime Minister Edward Seaga that devaluation was not on the cards, there has been speculation that the Bank of Jamaica (Central Bank) would by year-end announce a lowering of the parity of the Jamaican dollar to the U.S. currency.

But said the JMA chief: "One pro-devaluation assumption is that it proves advantageous to a country by making its exports cheaper, and presumably the country would be able to sell more. The local supporters of devaluation are not advancing that argument.

"Indeed, they cannot, since we do not have the surplus of goods which a devaluation would enable to be sold cheaper."

He added: "The only argument seems to be that the currency is overvalued and the real rate should be that prevailing on the informal or so-called 'no funds' exchange market.

"We do not see this as a sound argument for devaluation."

On the parallel money market, which was legitimised by the Seaga Government so that some of the currency on it could be channeled for use in private sector development, the exchange rate is said to run as high as three to one.

Some economists have argued that the exchange there — more fully reflects the state of the Jamaica dollar, since a significant portion of the island's imports are purchased with the offshore currency.

In addition, it has shown so important that the informal market has tended to take the lead in price-fixing for products not bought with parallel market currency.

## CAMPAIGN AGAINST SIMMONDS' INDEPENDENCE PLAN GROWS

## Opposition Party's Stand

Bridgetown SUNDAY ADVOCATE-NEWS in English 19 Sep 82 p 3

[Text]

Basseterre St. Kitts Saturday (CANA) — THE OPPOSITION St. Kitts-Nevis-Anguilla Labour Party here, in a continuing campaign against the coalition government's plans for independence next year without first holding General Elections, has challenged the administration's assertion that it has a mandate to make the constitutional transition.

In its weekly newspaper, "Labour Spokesman", the party said that Premier Kennedy Simmonds ruling People's Action Movement (PAM), which has shared the government with the Nevis Reformation Party (NRP) since the 1980 elections, had in fact lost the poll and consequently does not have a mandate to govern.

It pointed out that PAM had in fact won only three of the nine parliamentary seats contested in St. Kitts, while Labour had won four, with the two Nevis seats going to the NRP.

The newspaper said that not only did the Labour Party win more seats but it also won an absolute majority of the votes in St. Kitts and also in the state — 7 335 as compared to 4 990 for PAM and 2 356 for the NRP.

"Since PAM not only lost the elections but also won less seats than Labour," it said

"(Premier Kennedy) Simmonds was not invested with the electoral democratic right to be Premier. not invested with the electoral democratic right to be Premier. Simmonds' claim to the Premiership was not conferred by the electorate, but derives from the terms of the coalition arrangement regulating the allocation of portfolios."

It was also pointed out that the Labour Party was the only one which appealed to the entire electorate, contesting the elections in St. Kitts as well as in Nevis, while PAM only contested the St. Kitts seats and the NRP only the Nevis seats.

Since neither PAM nor the NRP had or has a mandate, the coalition never had and does not have, a mandatory to govern either," the newspaper said.

The newspaper noted that PAM could not form the government on the basis of the election results and that was the reason why PAM was not the government, but merely a partner by virtue of the coalition arrangement between two minority parties.

It is patently obvious that as a consequence of the election results and the coalition arrangement, Simmonds' Premiership is restricted and partial... "the newspaper added.

## Bar Association Views

Kingston THE DAILY GLEANER in English 21 Sep 82 p 7

[Text]

BASSETTERRE, St. Kitts,  
Sept. 19. (GANA):

More than 10,000 Kittitians have signed a petition condemning the Government's plans to take St. Kitts-Nevis into political indence, the "Labour Spokesman" newspaper has said.

The paper, published by the Opposition, St. Kitts, Nevis-Anguilla Labour Party, which has condemned the government's proposals, said the petition would soon be sent to Britain. St. Kitts-Nevis is a twin-island British associated state.

The Coalition Government is planning to change the island's political status next year, without calling a general election.

The Opposition Party has said it is annoyed about the Government's plan to grant Nevis a large measure of autonomy under the independence constitution, claiming that the move would be tantamount to selling out St. Kitts.

The Bar Association has queried some of the proposals affecting Nevis and called on the Government to extend by two months the time set aside for public discussion on the administration's White Paper on Independence so the issues

could be thrashed out.

President of the Bar Association, Frederick Kelsick, said the association's members had decided that they should make representation to Government for clarification of a number of points.

"They asked that the Government extend the time for consideration of the White Paper by another two months so that they would have time, after the Government had replied to their queries to make representations to the Government on the replies which the government had given," he added.

On the queries, he said: "The thing exercised in our minds particularly was the legislative powers given to the Nevis Island Assembly under section 29 of the White Paper.

Another matter was what arrangements have been made to assess the likely financial resources and requirements of the Nevis Island Administration in terms of its powers and responsibilities," he said.

IN THIS REGARD, he said, the Government should make an assessment of what share of the revenues accruing to the state should be allocated to the Nevis Island Administration.

CSO: 3298/022

## COMPTON REJECTS CRITICISM OF TRIPARTITE COMMISSION PLAN

Bridgetown ADVOCATE-NEWS in English 18 Sep 82 p 3

[Text]

CASTRIES, St. Lucia, Friday, (CANA) — St. Lucia Prime Minister John Compton has said that local trade unions demanding that Government shelve its plans for a tripartite consultative commission on wages, prices, employment and productivity as one strategy for combating the island's chronic economic difficulties, were either unaware of the serious world economic situation or were "totally irresponsible."

Compton, just back from international finance meetings in Britain and Canada, was reacting to last week's statement by several unions calling on the Government to forget the commission idea and continue dialogue with the private sector and workers' organisations on "appropriate alternative measures" to deal

with St. Lucia's economic problems.

The unions adopted a resolution at a meeting on August 31 suggesting that consideration should be given to a more comprehensive look at the economy and to incorporate a development strategy with emphasis on advancing the interest of workers and the promotion of local entrepreneurial activity.

The Union's stand came after the three parties had failed to make any significant headway after two formal meetings. But Compton, in an interview with The Voice newspaper here, said that despite the rejection by the unions, his four-month-old Government would continue its dialogue with various organisations here and would keep its election promise to refloat the island's battered

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